NATIONAL WEEKLY

Social Justice

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A SOLUTION FOR CENTRAL EUROPE

by

Dr. J. S. Barnes

Do WORKERS Want A Red LABOR DEAL?

FROM THE TOWER
Father Coughlin

LITTLE BUSINESS SPEAKS ABOUT IDLENESS
James F. Quirk

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THE WEEK IN THE NEWS

CHRISTIAN FRONT CONTEST

VOL. 2A NO. 15

A "DEAL" whereby the dues-paying workers of three nations are to be regimented by their labor dictators was worked out at the recent International Labor Congress in Mexico City between Vincente Toledano of Mexico, Leon Jouhaux of France and John L. Lewis, dictator of the C.I.O.

Leon Trotzky, co-author with Lenin of Russia's bolshevist revolution, is directing the international Communist campaign for world revolution from neighboring Mexico, with the protection and aid of President Cardenas.

Toledano, trained in Russia, is an ardent pupil of Trotzky. The Mexican labor law gives him the powers of a dictator over industry. With the help of President Cardenas, he is arming Mexico's workers and giving every laborer compulsory military training. An "exclusion clause" gives Toledano power to prevent any man who is blacklisted for disobedience from holding a job anywhere in Mexico.

Toledano is enthusiastic over his alliance with John L. Lewis, dictator of the C.I.O. in the United States. He carries John's letters around until they are worn out, showing friends how close his relations are with America's "Big Shot." There is no foolish "democracy" about John's C.I.O., he explains, no time is wasted electioneering for office or voting on measures or quibbling about the by-laws. What Lewis says goes! And John is "in" completely with his Government, Toledano boasts.

At the recent Labor Congress, and at the "International Congress Against War and Fascism," also held in Mexico City, Lewis made common cause with the Communists. "Between us and Fascism there can be no peace," said Lewis (and his audience understood by Fascism everything opposed to Communism). "We join hands with all other workers in this hemisphere and the whole world to fight against our common enemy." Fifty thousand listeners cheered the Lewis statement with the clenched fist salute of international Communism.

Third man in the "deal" is Leon Jouhaux. Like Lewis, he is out of favor with an important section of French labor, but he speaks for the helpless workers of his country in international councils with the Reds. He, too, praised Lewis and told the labor leftists that "the proletariat's strength is the best guarantee against fascism."

Workers of America, snap out of it!

What did you have to say about the deal with Trotzky and the Mexican Reds, who are arming at America's doors with the official knowledge and assistance of the government there? You were not even consulted.

What have American workers to gain from any tie-up with workers in France or Mexico?

They have everything to lose from any alliance with international Communism. American workers might at least demand the right to vote upon these things!

Social Justice

OCTOBER 10, 1938

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The "Internationalists"

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Vol. 2A No. 15

Editorial Confidences

Is Speech "Free" When It Is Radio?

IN last week's edition of SOCIAL JUSTICE, an editorial message voiced sympathy for the good friends of Father Coughlin—earnest crusaders for Christian social justice all of them—who are victims of hurricane and flood in New England. Numerous readers join us in the expression of that sympathy.

The editorial quoted the words of Father Coughlin in a similar emergency when, in a dramatic appeal to the nation in a night broadcast, the radio priest asked funds for relief of flood sufferers in the Ohio valley. Speaking from the Shrine of the Little Flower on behalf of the American Red Cross, the broadcast was heard *over facilities of the Mutual Broadcasting System.*

But that was a year ago. This year, when negotiations were undertaken for the regular broadcasting season the Mutual—along with Columbia and N. B. C.—was closed to Father Coughlin because of the "controversial" nature of his talks against Communism.

Letters from many thousands of listeners — many of them veteran SUPPORTERS throughout the 13 years—continue to pour in in response to Father Coughlin's request for suggestions as to preferred stations and the program itself. These suggestions—all of them—have been of importance and valued assistance in arranging the broadcasting schedules.

Naturally, in such an extensive correspondence there is expressed a wide diversity of views. Like the task of preparing a satisfactory magazine, compliance with the listeners' wishes is somewhat a matter of "striking an average" and then striving for as high a tone of excellence in the presentation as the support of these listeners will permit.

With the straitened circumstances of the public in mind, a considerable number of the letters cautioned economy and suggested a half hour talk without any musical embellishment. But these writers were not averse to music, except to say that they do not care for mediocrity. "We've enough of that all week at every turn of the dial," was the burden of countless writers.

Unless the musical portion of the program were of a "top" excellence, therefore, in keeping with the standard of Father Coughlin's weekly talks to the nation, they'd rather not have music. The deterrent thought seems to have been that the best in music would be prohibitively costly.

If, therefore, it is found possible at the terms quoted to Father Coughlin, and considering the funds available for broadcasting, to provide a full Sunday hour with, for example, 10 minutes of music, a forty minute discourse and the popular inspirational "Thought for the Week," the nation would vote for it unanimously, listen to it, and what is more, SUPPORT IT.

These writers all realize—with a surprising clarity for such a diverse cross section of the general public—the immediate danger of Communism if the voice of Father Coughlin can now be shut off the air. In too many phases of life about them the public already perceives the evidences of Communist-directed propaganda and national planning.

Indeed, America was never presented with a better case of the unrestrained "freedom of speech" together with its abuse than in the current interrupting of radio entertainment to broadcast propagandist bulletins designed to work up a war mind in America. But this very nuisance of the war mongers itself attests that radio is still free for propaganda.

"The radio in America today is not so directly subservient to the government as are the German radio and press," says the *Chicago Tribune*, "but no one who knows the facts can regard the position of our radio services as a sound one. Stations are licensed for only six months. Their licenses may be cancelled 'for cause' during the period and the right to obtain a renewal at the end of the term is more or less tenuous. Many persons deny that any such right exists or can be enforced. The consequence is that the owners of many radio stations *move in terror of the government and jump to obey the lightest hint from Washington!*"

The *Chicago Tribune* should know. It owns WGN. Be it said for Col. McCormick's "free press" that it is one of the few commercial papers which dares to blast through the smoke screen of propaganda to give an attempted picture of the facts. But WGN is not available as a Chicago outlet to Father Coughlin. Neither for that matter is Col. Knox's radio auxiliary, WMAQ. The big newspapers ban the talks against Communism because, they say, "they are religious!"

Parties Planned for Father's Birthday

MEMBERS of the "Million League" who have not yet formed their SOCIAL JUSTICE Platoons of 25 persons are availing themselves of the social functions on the birthday of Father Coughlin, October 25, to perfect their local organizations.

This year's exceptional enthusiasm over broadcasting prospects augurs well for the hundreds of social affairs to be held. It seems to be generally realized that never before in the history of America has the voice of Father Coughlin on the air been so thoroughly needed. Everybody is doing something. Reports come from Chicago of a great get-together in that city by both Platoon members and hundreds who have not yet formed platoons. Another large function is planned in Philadelphia.

Most of the social events, however, will not be on such a "colossal" order, but will be private gatherings in homes and smaller halls.

The expenses of each event must be borne by the Platoon or group fostering it. It is requested that a report on proceeds, together with remittances, be made within three or four days after October 25.

If everybody contributes a little time and energy to organization work in connection with October 25, there is little doubt the proceeds of that day should appreciably swell the Broadcasting Fund. And that is very necessary this year.

Next Week In Social Justice

NO writer of our day can make the ABC's of money so readable and clear to the ordinary person as does Robert H. Hemphill, international financial authority, whose articles in SOCIAL JUSTICE are widely read and quoted. "Real Money," another in his present series on "What to Do About It," appears in SOCIAL JUSTICE, October 17.

• • •

A fourth and concluding article in James F. Edwards' series on "Social Security" discusses the Christian ideal of a living wage—a recognized principle of social justice.

• • •

Another in the brilliant group of English writers whose contributions have brightened the pages of SOCIAL JUSTICE is Rev. W.J. Randall, C.M.S., whose next article is "The Christian at His Work in the World."

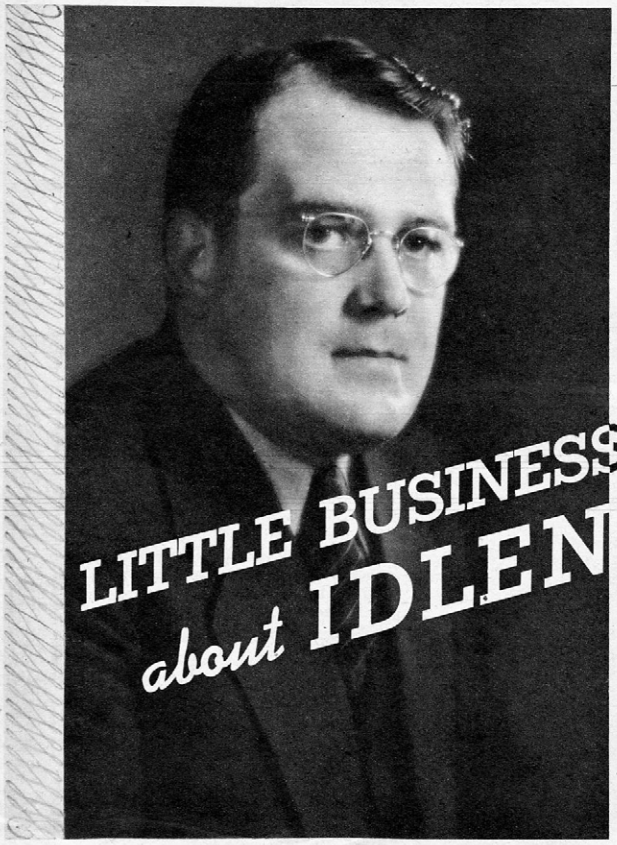
• • •

Miss Virginia McKay, a former Colorado school teacher, has spent three years in Spain experiencing both sides of the civil war in that unfortunate land. Next week in SOCIAL JUSTICE she begins a day by day recounting of an American woman's life in Spain before and during its destructive internal strife.

• • •

More than ever the "story behind the story" in the day's news needs to be told. Daily, the developments in Europe are unfolding against a background of historic facts which the research department of SOCIAL JUSTICE has turned up for its readers. Sudden and unexplainable events hold a deeper meaning for readers of SOCIAL JUSTICE who have been prepared, often weeks before, for the possibilities.

The recent series on the private ownership of the Suez Canal, and the vast interlocking control of the Sassoon family in the Orient, will take on an even greater import in the event of a future war than they seemed to have at the time of their publication weeks ago.



LITTLE BUSINESS Speaks about IDLENESS!

By James F. Quirk

Secretary-Treasurer, Quirk Crate Co., Milwaukee, Wisconsin

as told to Joseph P. Wright of *SOCIAL JUSTICE* Staff

"LITTLE BUSINESS" — that scattered crowd of frightened merchants, manufacturers and middlemen —has found its voice, and is surprised to hear how potent its own roar sounds.

Amid all the agitation a few years back about "the forgotten man," the real figure obscured by a slip of the national mind was this same Little Businessman. For, as the press, the administration and the country-at-large echoed with a plea for the "forgotten man" on one side, and a curse for the capitalist on the other, who was caught between?

Nobody but our friend, Little Business.

He was caught tightly and wedged. Those below his scale damned him as a capitalist. Those above sniffed disdainfully at him as a nobody. And he plodded along, wishing for a dream book that would give him an answer to this nightmare.

This odd fellow, Little Business, would be great game for the caricaturists and cartoonists. He could wear Uncle Sam's striped pants and chin whiskers, for he is the backbone of the nation. He could wear John Q. Public's crushed felt and baggy trousers, for he is the common man. Or he could wear the shackles of a slave, for too often that has been his role.

But Little Business has found his voice and he is busily at work trying to figure out a solution to our national mess. His recommendations, to date, have to do with a stiff hewing-to-the-line of Constitutional government. He wants the Federal Government to:

1. Retire from business competition with private citizens.

2. Parcel out the rights and responsibilities of the Wagner act equally between workers and employers.

3. Use Social Security funds strictly for social security purposes and put the whole structure on a pay-as-you-go basis.

4. Scuttle the President's "blank check" spending powers; balance the budget, and begin a business administration in government.

5. Return to representative government by returning to Congress the powers it has delegated to others, and,

6. Make iron clad the rights of free speech, especially in regard to press and radio.

Little Business Has Found Its Voice. Little Business Wants an Answer to the Continuing Cause of Depression. Will a Federal Guarantee of Employment Be the Cure?

Further, Little Business wants a broadened income tax base, extension of the Civil Service, co-operation between labor, business and agriculture, and an enlightenment on the part of government as to its place as a *moderator* in the interrelations of these three. Little Business knows that work means wealth, wealth means business, business means markets for the products of agriculture and industry. Thus underlying all is the need of work!

WHAT is the work situation in the United States today? Very poor, thank you. A report issued last spring by a special Senate committee on relief estimated the number of unemployed at 12,000,000. It is altogether likely that another half million have been added since. And this is not a condition that occurred last spring, last winter, or last fall. It is one earmark of the depression of 1929 that has continued unchanged through the present depression of 1938!

It is the one problem all the brain trusters who ever moved from New York to Washington failed to lick. And it is the one problem that must be licked before any real progress can be made in the matter of establishing the national economy on a sound basis.

Very well, how are we going to solve it? Not by putting half a million employables on W.P.A., that's certain. Not by handing out a direct dole to those cast out of private jobs. Not by goading business with heavy taxes and not by inciting labor to strike by calling the employer names. The way to solve it is to *assure a continuing purchasing power for the millions; to instill continuing confidence in the future; and to work toward an annual wage.*

Perhaps the *idea* of W.P.A. may hold a promise. After all there's limitless construction that could be undertaken in this nation. There are private contractors starving for lack of work. There are skilled tradesmen who haven't had a job in their line for months or years. And there are material manufacturers and their workers just waiting to shout their faith in the gospel of salvation through the production of wealth.

In 1933, the administration got us out of a bad hole—and the bankers out of a worse hole—by guaranteeing every bank account in the nation. The psychology of fear was a bad thing at that time. The people distrusted the bankers—for excellent reasons, of course. But at the same time they did have a trust in their Government. When the Government said it would guarantee their bank accounts, the people were 99 per cent sure that it would. Perhaps that implicit trust in government is somewhat lacking today. If so, it's the administration's own fault. But if it isn't, the Government could use that trust to great advantage in licking this problem of idleness.

IF the purchasing public knew that it would be able to buy today, tomorrow and the day after, the psychology of fear that causes pocketbook paralysis—and mountainous inventories—would be leveled. And if the Government could undertake to guarantee that purchasing power by guaranteeing employment to the individual, it would turn the wheels of industry; feed the channels of commerce, and ease off the cursed dole and relief systems.

Under this guarantee of employment, the Government could co-operate with private contractors in the construction of public buildings, roads, grade crossings, slum clearance, housing and related enterprises. Private contractors would engage in open, competitive bidding for the projects. They would use their own skilled labor, and unskilled labor furnished on certificate from the Government, to be paid a wage of 75 per cent of the scale in private business, thus preserving the zeal to return to a private occupation when the situation presented itself.

There is nothing of the W.P.A. in this proposal. Under W.P.A. private contractors are left weeping outside. Under this system they would be brought within. There would be no "leaf-raking projects." All works would have to pass the double-muster of utility and necessity. The whole scheme could be financed by a broadened income tax base, plus a special tax—a sales tax of 5 per cent, or by any other means thought feasible.

This plan, once in effect, would go far to:

(1) Put every employable man and woman to work.

(2) End relief, except for unemployables.

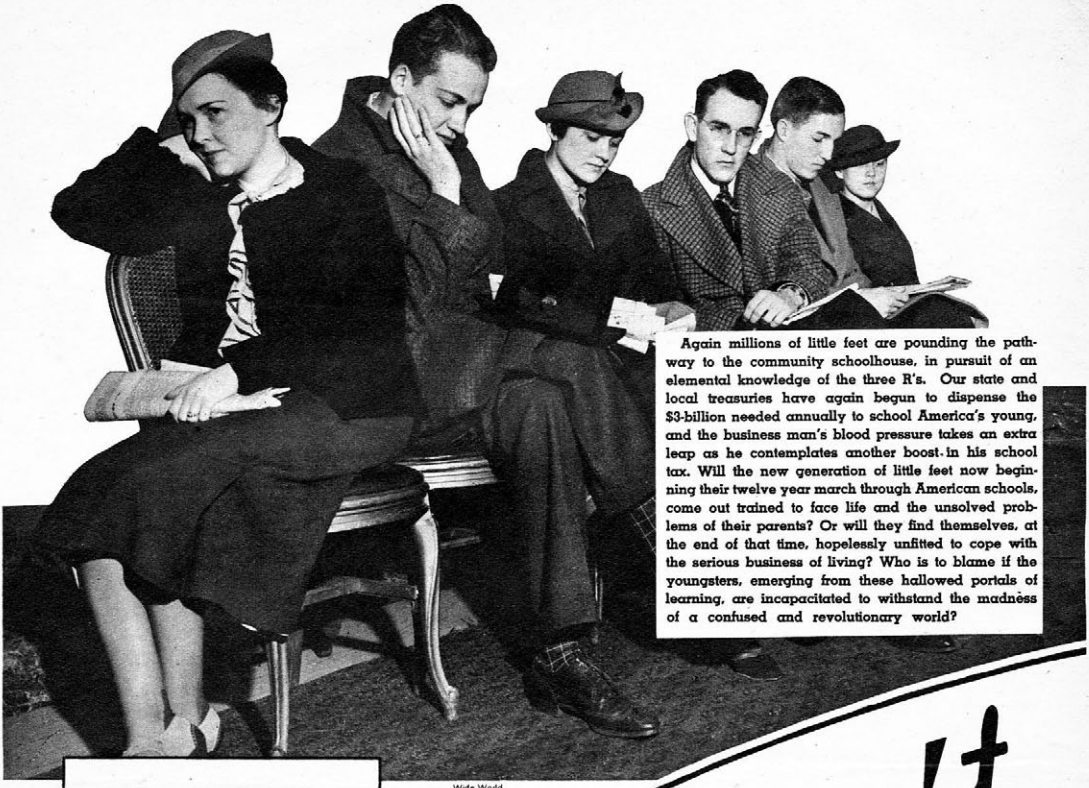
(3) Increase wages and lower prices through balanced production.

(4) Strike a death blow at the agitators for Communism, Fascism and Socialism in this country as a cure for our economic and social ills.

In Sweden such a public works system has succeeded in absorbing the unemployed to such an extent that less than one-half of one per cent of the nation's population is out of work. Of course it is useless to parallel Sweden to the United States. The only purpose the example shows is to illustrate what can be done through enterprise, entered co-operatively by business and Government.

Maybe this isn't the solution. Maybe guaranteed employment would fizzle worse than the W.P.A. But the whole system is aimed not only at providing useful jobs for millions, but at eradicating the haunting fear of insecurity that does so much to cramp the individual's economic style. Little businessmen, some big businessmen, educators, economists and politicians have played with the idea of Government-guaranteed jobs. The United States Government licked the bank problem with a guarantee of deposits. Perhaps Federal guarantee of employment could lick the problem of idleness in the same way. Or at least, agitation on the point may go far in clearing up conditions that are plaguing all business, little and big, and are bringing despair to those out of work, or on W.P.A.

Little Business wants an answer to the problem of idleness. Now that it has found its voice, Little Business is going to *get* an answer to that problem, either through its own initiative, or that of somebody else.



Again millions of little feet are pounding the pathway to the community schoolhouse, in pursuit of an elemental knowledge of the three R's. Our state and local treasuries have again begun to dispense the $3-billion needed annually to school America's young, and the business man's blood pressure takes an extra leap as he contemplates another boost in his school tax. Will the new generation of little feet now beginning their twelve year march through American schools, come out trained to face life and the unsolved problems of their parents? Or will they find themselves, at the end of that time, hopelessly unfitted to cope with the serious business of living? Who is to blame if the youngsters, emerging from these hallowed portals of learning, are incapacitated to withstand the madness of a confused and revolutionary world?

Wide World

It's Not a New School Gymnasium, or a Streamlined Campus, That the Nation's Youth Needs So Much as a "New" Philosophy.

Don't

LAST month a group of 500 impoverished young persons from more than 50 countries of the world met at Poughkeepsie, New York, to discuss what they called "peace," and to grope for an answer to that all-engulfing question: what is the matter with the world? The meeting was sponsored by the American Youth Congress which claims to represent two million of our youths, and deigns to speak for 20 million more.

Reports and resolutions from the seven day conference, resembled not a little, those which emanated from a similar Congress in New York a few months before—the one conducted by No. 1 Communist Earl Browder.

The would-be youngsters cheered to the echo a plea for "tolerance which will allow each individual to give his allegiance where he will, without restraint or compulsion," only to hiss intolerantly the chanting of a harmless Italian folk song. They called their gathering all-embracing, hung out a welcome to Catholics, Socialists and Communists, and wept figurative tears over the refusal of Italy, Germany and Japan to send official delegates—but refused to recognize the official delegates from Puerto Rico because, they said, that country is "fascist."

They listened to delegates plead for peace and social justice, and heard Vassar's president explain that "the greatest danger to peace comes from justice and national class and personal honor." They fanatically urged peace in one breath and in the next called for America to help the Spanish Reds in their war against Spain.

It was pitiful to watch this unofficial junior league of nations, unable to agree peaceably even on "peace," pathetically prating theories deliberately planted in their immature minds by forces neither young nor innocent, who are using the powerful voice of youth merely to further their own destructively selfish purposes. These youth, aggressively airing their distorted concepts of life, are no more responsible for the error of their ways, than are hundreds of thousands of our own American youth, employed and jobless, whose every selfish act is motivated by a materialism planted there all unbeknown to them.

YOUNG America today, the groping generation which we call the men of tomorrow, is groping because it is ignorant. Yet youth's ignorance is involuntary. They are merely the reapers of what their elders have sown, and the harvest reveals a famine.

Youth's apparent uselessness, his inability to cope with life's manifold problems, the increased juvenile delinquency, the growing number of young persons appearing in our courts of crime, the greater number of youthful suicides—all give evidence that something, if weighed, would be found wanting. Where does this lack first become evident?

Take the average high school graduate for example. He is equipped with a dangerously little knowledge of many things—which smattering is supposed to form his education, his foundation for life. What he has learned about life in general, he has acquired from his own world, his own experiences. He has hopes and ambitions—usually more hopes than ambitions. Ask him what in life he most wants to do and nine times in ten he will not understand you. He has no charted course. He wants a job, of course, but that has entirely to do with making money. His sole reason for considering one job in preference to another is its payday potentialities.

He was taught geography, civics and a little math. He never heard of ethics, or any other kind of philosophy for that matter. He was left to acquire that for himself—and did. His code of ethics, all figured out, amounts to something like a revised edition of the jungle law of tooth and fang. Comfort and pleasure, nice things to eat and to wear, nice places to go—are the things he wants most from life, and the money to buy them becomes the be-all and the end-all of his self-centered existence. He has but one sense of value—the material. Even the helpful little acts which his parents performed out of unselfishness, kindness or thoughtful consideration of others, Junior does in order "to win friends and influence people."

But his materialistic concept of life, his what-can-I-get-out-of-it attitude, is not merely the outcropping of a selfish soul. It is the result of what he learned, or more often, what he did not learn in school. There is only one way to acquire a Christian philosophy and that is by the application of Christianity and its principles to every day living. How can today's youth be expected to apply principles which they have never been taught?

HOWEVER vigorously parents and teachers may proclaim their theoretical atheism, their Christian background has made them, practically, moral men. Not so their children. The youth, brought up against a background of dialectic materialism have become practical atheists—godless in their search for pleasure, materialistic in their quest for happiness. This is the youth which our schools have created. All of which points to the fact that while our schools, judged from the viewpoint of facilities and ultra modern conveniences may be just about superb, they are a social failure when measured by the results they have produced.

Typical of this modern educational trend is the report from the President's Advisory Committee on Education, that is awaiting enactment in the next session of Congress as the Harrison - Thomas - Fletcher "Federal

Blame Junior

By Jean Perrin Schwartz

Aid to Education Act of 1938." In September, 1936, President Roosevelt appointed a 24 man committee to find out what was needed to further and improve education in the United States.

After a year and a half of turning over statistics in all the country's school bureaus, the committeemen reported in 243 uninteresting pages, what they consider necessary to Utopianize education in the United States. Their matter of fact survey discloses that there are 26 million children attending school (six million of them in high school) at an average annual cost of $88.30 a head.

With 17 months and a proportionately corresponding amount of dollars at its disposal, the committee looked over the school situation from top to toe—and discovered that we could conveniently spend $855½-million more. This would be spent in great part, over a six year period, for school buildings, administrative offices, libraries and research facilities, as well as to "lessen the inequality of opportunities among states." For, *according to the advisory committee, the greatest trouble with education today is the lack of balance in distribution of the educational load between city and rural populations.* Whether or not you agree upon the seriousness of this "greatest trouble," it is indisputably true that $855½-million is a substantial sum when coupled with the 382-million Federal dollars already set aside for state educational projects during the same period.

The survey on the whole, is reminiscent of the county supervisor who reported that a certain district school needed new steps at the side entrance, but did not learn until he read the evening paper that the townsfolk planned to oust the principal the next day. It is typical of the current educational standard, where the only things that count are those that measure their value in dollars and cents.

IF A school is an excellent stone structure, has the latest in modern equipment and heating facilities, a huge auditorium and a massive library of weighty volumes, it is *ipso facto* a wonderful institution, a monument to the best in American education. By the same logical process, the little frame school house whose single room must harbor various-aged aspirants to the three R's, whose only warmth emanates from the little coal stove in the corner, and whose circulating library of hallowed classics is contained in five brief shelves, becomes automatically incapable of producing anything of value in the way of educational instruction.

(Incidentally, someone ought to make a study some time, of just how many school children actually patronize their well-endowed libraries, and how many books per capita they read in a year. It would astound practically everybody but the librarian, and undoubtedly disillusion an older generation of their fondest hopes in the intellectual possibilities of their youngsters.)

In like manner also is the holder of advanced degrees in learning mistaken for the champion producer of educational results. The ordinary teacher is automatically subject to displacement by the Ph.D., whether the latter happens to be a social being or not. With all of its attention directed to equipment and facilities, and little or none to the effect it will have upon youth, what has our streamlined education to show for itself in the way of results? The answer is Junior—and look at him.

An average high school graduate, he has some knowledge but little or no education. He can read and write, sometimes he can even spell. Perhaps he can take part in an intelligent conversation, but the odds are against it. Unless he is exceptional he cannot think clearly, precisely and accurately to a conclusion, or even write a cultured letter. His idea of how his country is governed, if he has one, is confused and vague. History came to him in uninteresting, unrelated chunks, fragments which he remembered only long enough "to pass" the course, and to which he has not since been called upon to refer—thank goodness. As for being able to address a group of his fellows in good English without stammering and stuttering and losing his poise and self-assurance—why even teacher cannot do that, much less Junior. The great art of self-mastery, discipline of the will, training in moral and ethical principles—these were regarded as part of religion, and of course, Junior has been protected from all that until the distant day when he is "old enough to know his own mind." His so-called "liberal" education has been liberal, only insofar as it gave him complete freedom in his immature selection of the subjects that will either prepare or fail to prepare him for the business of living in society.

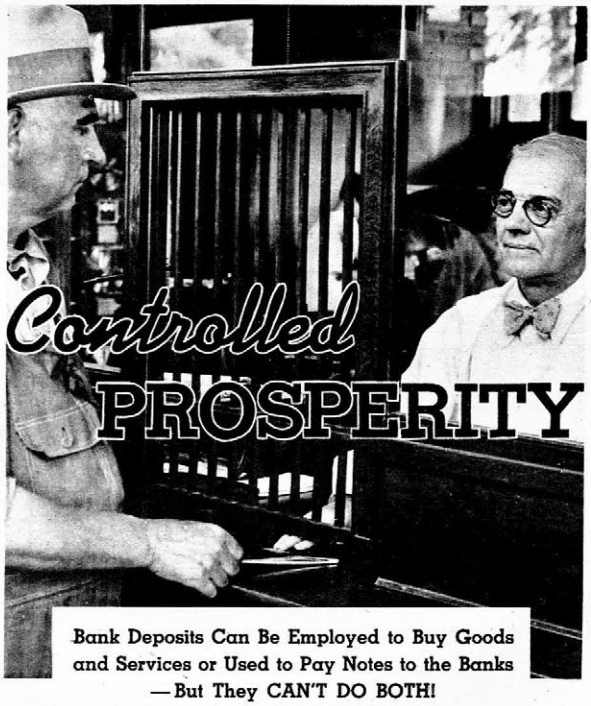
THAT is an honest and fairly accurate picture of Junior—the lad whose name is Legion—of whom an older generation asks only the solution to all of its problems. But don't blame Junior. He is merely the product of their mistakes, he has the courage of their convictions, and practices what they so blatantly preach. If too many of our modern youth are empty-headed, jazz-brained jitterbugs, incapable of maintaining sanity in the midst of cacophany and confusion, unable to differentiate between practical ideas and revolutionary, unworkable theories, incapacitated to cope with the disappointments and disillusion with which reality is bound to beset them—they have every right to point an accusing finger directly back to their materialistic critics, the parents and supervisors, educators, commissioners and bureaucrats, who have sponsored the degeneration of youth's preparation for life into a modern experimental pedagogy which while it may provide a new and crazy chapter in the annals of educational history, deprives American youth of its very important and necessary prologue to life.

If Americans want their youth to grow up into more than mediocre milksops, they must furnish them with the necessary foundation. A new swimming pool or motion picture machine will not do it. Neither for that matter, will an up-to-the-minute public address system or a well kept campus. Junior may want a new gymnasium, but what he needs is a sound philosophy of life. And until he gets one, all the pseudo-sophistries of our modern educators are just so much wasted effort as far as he is concerned. If you shy from "religion," call it righteousness, but whatever you call it, Junior needs his fourth R every bit as much as Einstein needs his fourth dimension.

Young America will grow up to be just what it is educated to be. If America wants the generation of tomorrow to be wholesome, intelligent, and spiritual-minded, instead of materialistic and self-seeking, it will have to abandon its many fangled craze for streamlined education and go back, at least in spirit, to the philosophy of the days which grandpappy fondly recalls, between pungent plugs of aromatic rough-cut—the days when he was a boy . . .

Controlled PROSPERITY

By Robert H. Hemphill
Financial Authority



Bank Deposits Can Be Employed to Buy Goods and Services or Used to Pay Notes to the Banks —But They CAN'T DO BOTH!

In recent articles, I have tried to make clear several fundamental factors controlling the exchange of goods and services in this nation, and consequently our economic and social welfare. Among them are the following—

1. Our principal medium of exchange is "Bank Credit" which is the total credit balances of all our checking accounts, in the commercial banks of the nation.

2. This credit originates, either by loans of book entries of credit on the ledgers of commercial banks against the borrower's note, or by the purchase of securities by the banks in payment for which they "credit" the sellers' accounts on their books with the purchase price. The title to this "credit" is transferred by check from one person to another. It is a purely imaginary money, but it performs every monetary function.

3. The capital and paid-in surplus of all commercial banks is substantially equal to the total actual money (currency and coin) outside the Treasury. Therefore it may be said that all the money issued and put into circulation by the Government has been used to purchase the capital of the commercial banking system and these capital funds are thereafter used by the banks as a "reserve" fund, as required by law, to validate or guarantee the payment in money of their "deposits." *If all loans and investments were collected or sold, we would have neither money nor bank deposits in circulation.*

4. All money which is now, at any time, outside the banks was drawn out by checks against deposits. It usually performs but one transaction and is immediately re-deposited. The total of these transactions, is, of course, just equal to the checks by which the cash was drawn out of the banks, and the cash merely substitutes for the check; therefore, the total of checks is the total transactions of the nation, within a negligible fraction.

Hence it may be said, that "Bank Deposits" constitutes our *sole* medium of exchange.

5. This "bank deposit money," a purely imaginary money, will invariably serve as consumer purchasing power, three times per annum — no more. Therefore to achieve any desired national income, it is necessary to have in credit in the checking accounts of the individuals, firms, and corporations of the nation, a total equal to one-third the desired annual national income. For instance, if an annual National Income of 120 billions is desired it will be necessary to have in the checking accounts of individuals, firms, and corporations of the country, not less than 40 billions of dollars, actually subject to check.

6. The question of whether this amount will be inflationary is purely a question of our capacity to produce the goods to fill the potential demand which this money will implement. If we cannot produce the goods which will be required by a nation with 40 billions of dollars which they can spend for goods at the rate of three times per annum — 120 billions of goods and services per annum, then competition for the inadequate supply of goods will certainly result in raising prices. If, however, we have the producing capacity in men and machinery, then the inherent economy of increased production will lower costs and prices, and it is very likely that we will be able to produce and consume, what would cost 130 billions or more at the present rate of production, for our 120 billions annual spending power.

Now, then, in the six preceding paragraphs, is about the complete financial picture of Political Economy, or, as it is now known, "Economics."

With these factors in mind, it would seem to be a simple matter for any government to create and control any state of permanent prosperity desired, limited only by the capacity to produce. And so it would be, but for certain unnatural factors which must be fully understood and provided for if such desirable condition is to be achieved.

It would be necessary only for the Government to issue and put into circulation *a definite sum of money each year until there had been created a demand for all the goods the nation could produce.* Each new dollar put into circulation would mean an immediate and continuous demand for $3 worth of additional goods and services.

The first discouraging handicap we run up against in our program is the commercial banks who now furnish an erratic and fluctuating medium of exchange in the imaginary bank credit they create. They completely control the volume of goods and services we may buy and consume, by controlling the volume of the imaginary money — bank credit — which is substantially our sole medium of exchange.

Under present laws they are uncontrolled and uncontrollable. They demand complete freedom of operation and will use the immense power they hold to prevent the passage of any law limiting their racket, and yet in return for their unholy monopoly they will acknowledge no social obligation whatever.

They will not even study their own business and its relation to the public welfare and the prosperity of the nation which they absolutely control. If they happen to furnish us with an adequate volume of the imaginary medium of exchange they create, it is purely an accident. If they fail to do so it is just too bad.

Next in line of powerful opposing forces is the small group of rich people who have either inherited their fortunes or have accumulated their fortunes through the assistance of the commercial banking racket. Generally speaking, they know little or nothing of monetary science but they sense rather than understand that the banks help to preserve their privileged position and they will fight to continue them.

I have previously explained how, under this amazing racket, a small group can legally organize a Commercial Bank for a capital of, for instance, $1,000,000. Under our absurd laws which bankers have had enacted, this group is then endowed by law with a potential $10,000,000. It can create and loan to members of the group, or to corporations they organize, or to their friends and associates, $10,000,000 in bank deposits, which as I have pointed out is our *sole medium of exchange.*

I think it will require extended reflection on the reader's part to grasp the enormous significance of this fact. In it is embraced the answer to almost all our social and economic riddles. It is the perfect mechanism to automatically concentrate all the wealth produced by the genius and labor of the nation into a very few unproducing hands.

It endows the controlling banking groups with a power that is greater than that held and exercised by any democratic government, or any king, or any emperor, or any dictator. In fact Presidents and Congresses and Parliaments and Kings and Emperors and Dictators are mere puppets in the hands of the controlling bankers of their respective nations.

Even if it were not viciously unfair to grant a small group this insurmountable advantage over the rest of the nation—the right to issue, and to collect interest on, for their own benefit, the money of the nation—this is not the greatest wrong. The absolutely indefensible thing is *to place the complete control of the economic and social welfare and destiny of nations in the hands of an irresponsible group, reducing the remaining population to the dependence of economic slaves.*

It is this unholy power over the lives and welfare of their fellow men which the bankers will fight for to the last ditch.

It is useless to talk about Social Justice or Social Security so long as any irresponsible group holds this uncontrolled power to create prosperity or to wreck the nation.

In a recent article in this paper, I said that I believed we were nearer to real monetary reform than at any previous period in the history of the nation. The reason I said this is that bankers themselves are beginning to recognize the fact that their racket will no longer work, even for a short time. In making loans to commerce and industry they are creating an irredeemable medium of exchange in the "credit" they enter on their books, in the accounts of the borrowers. The borrowers immediately "spend" these credits and they become the property of others who are not borrowers. The banks are creating liabilities they cannot liquidate and these liabilities flow into the hands of depositors who are under no obligation to the banks. If anything happens they want their money, and they don't mean maybe.

In these circumstances the only recourse the banks have is to call their loans, and as the borrowers are unlikely to be in position to pay, the bank sells the security supporting the loans to those who have deposits—if they can.

A contingent result, however, is what wrecks not only the business of the nation, but the banks themselves. We can use this imaginary money—bank deposits—to buy goods and services or we can use it to pay notes to the banks—but we can't do both.

The shrinkage of deposits in the checking accounts of the nation by the payment of notes or the purchase of the collateral from the banks is instantly and necessarily attended by a sharp contraction in the business of the nation with immediate unemployment and severe fall in the prices of essential commodities and in security and property prices. All the other notes held by the bank are immediately in jeopardy and the value of the bank's investments in property and securities shrinks so fast that its capital and surplus may be wiped out almost overnight.

The *"racket" will simply no longer work!*

The bankers are learning this very rapidly. They are no longer making loans to commerce and industry and we are running into a jam which will force our bankers and statesmen (if such there be) and politicians into the simple study of money. If this happens before the cock-eyed economics of the NEW DEAL destroys our opportunity, we can build in this marvelous country of unlimited resource and opportunity a permanent prosperity which will give 1929 by comparison, the drab atmosphere of a second-hand clothing store.

The next article, "Real Money," and subsequent articles, will deal with the specific steps which must be taken to achieve this happy situation.

The Peace of Versailles

EIGHT years ago, the Columbia Broadcasting System ventured to censor a discourse which I had prepared for delivery over its network.

That radio address dealt very specifically with the Peace Treaty of Versailles.

At that time I pointed out that no peace could be established except upon the foundation of Justice.

It was shown that the Versailles Peace Treaty was conceived in iniquity and attempted to perpetuate an injustice.

Moreover, it was predicted that if the document continued to be enforced throughout the years, *it would prove to be the breeding ground of a second World War!*

The younger people of this generation do not remember 1918 and the Peace Treaty of Versailles which terminated the World War. Perhaps they are not aware that Germany and Austria were despoiled of their last ounce of gold, of their last pound of silver, of their last battleship and merchant ship. These nations were left bankrupt.

Moreover, the younger generation, perhaps, is not aware that the iniquitous Versailles Treaty began by placing the entire blame for the World War upon the German people and purposed to so constrain them in the future that they would never again acquire power or prominence.

Even the older persons among our readers are prone to forget that the signatories to the Peace Treaty of Versailles imposed a fine upon Germany of $33-billion payable in gold, when there was only $11-billion of gold in the entire commercial world, and this was held by the United States and Great Britain for the most part!

It is interesting to reprint this eight-year-old radio discourse which I delivered—on a later occasion—and which brought a response of approximately two million letters from the audience that listened to me on that Sunday. (1931 A. D.).

Here below are some excerpts from it:

"THIS evening it is my privilege to invite you to consider a new aspect of both national and international depression, an aspect which has had more to do with our national depression and unemployment than has had any other cause.

"It dates back to the year 1919. The scene is the Hall of Mirrors at Versailles, France. The actors are the representatives of the nations of the world. Germany and Austria are the principal "villains." Clemenceau and his associates wield the sword of justice.

"The plot which is fresh in their memories and in their experiences is laid in war-torn Europe. Visualize it, if you can: scarred and torn and wrecked, scarcely nothing left but the gaunt corpses of crops and homes and factories! As you pass in panoramic view over the fields of wind-blown poppies or down the white aisles of ghostly crosses, your mind is numbed when confronted with the ruin of the Great War upon whose altars so many millions of human lives had been offered up for what foolish purpose no man knows.

"Yet no human beings comprehend those facts half so well as do those who sit in judgment in the Hall of Mirrors. Of one thing they are certain: They know that all Europe must begin this new post-war period in dire poverty and burdened with incalculable debts. They all know that reserve capital is a thing of the past. And more than that, they are not forgetful that you cannot bleed blood out of a barren stone.

"Thus, these plenipotentiaries convene to carry on their so-called negotiations. Days and weeks are spent in discussion. New colonies and territories, by a stroke of the pen, are contributed to England. New divisions of Europe are parcelled out irrespective either of national or lingual boundaries. And to climax the tragedy of this so-called "Peace" Treaty of Versailles where God's Name was not permitted to be mentioned; where Christ's charity and forgiveness was regarded as impractical, a fine of $33-billion to be paid within thirty-seven years is imposed upon an enemy with a hope of crushing her financially, despite the fact that her purse is empty and that her heart conceives no honest notion of endeavoring to meet the impossible demands of this tragic Treaty of Versailles.

"Thirty-three billion dollars! Think of it for a moment. It is a stupendous amount of wealth! The international banker was magnetized by it. 'Here,' thought he, 'is a real opportunity for me to play politics at the expense of a nation's misery.'

"Thus, in the year 1921, in the New Haven address which former Secretary Hughes delivered, we discover the birth of a novel philosophy of international settlements: 'Let the banker and not the statesman work out the settlement of peace!' Thus, from that moment on we have been exhorted to leave the settlement of foreign problems to the economic experts and to the international bankers. We have been asked to shelve our lawfully elected Senators and Congressmen, as if bankers as a rule care more for the welfare of the mass of population than do our upright political representatives.

"You are aware of those historic days which witnessed the departure of the new type of ambassadors of finance to Europe to settle the world's problems.

"These un-elected ambassadors of finance departed from America to Europe. On arrival they began with the mistake of accepting as a working principle the honesty and the validity of the Treaty of Versailles.

"Instead of inquiring whether political readjustments were first to be made; instead of asking were the findings of that Treaty based upon justice; were they contrary to the psychology of human nature; were they freely entered into by both parties of the contract; was hatred the motivating force in the mind of one party; was dire necessity the actuating element in the heart of the other, what do we find them doing? We find them clinging to the principle that all adjustments could be made by the yardstick of dollars and cents.

"ASSUMING then that there were no political wrongs in the so-called Peace Treaty which first must be corrected, 'they have proceeded,' to quote the Honorable Louis McFadden, to crystallize the blood money of a vast war tribute into billions of dollars of bonds which they have brought home with them to America and offered them for sale to the American people with the assurance that Europe's political troubles had been healed by their masterly statesmanship and, incidentally, that the bonds were an excellent investment for the American purchaser.'

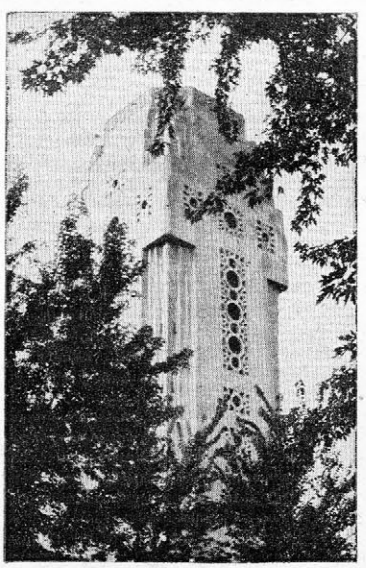
"Thus, since the year 1919, we, the American people, have been led to believe that the Peace Treaty of Versailles actually made peace, whereas it has done little more than to perpetuate hostility. We were led to believe that victory had been achieved only to find that unrest had been born. We have been fed upon the propaganda that when Secretary Hughes in 1921 accepted the German indemnity of $33-billion as a reality and approved of the London ultimatum which imposed it upon Germany that peace and prosperity were the reward for the victors, when as an actuality a new war cloud of revolution fomented by hatred and injustice was being formed upon the skyline of the world.

"To quote the Honorable Mr. McFadden, 'the fact that the London ultimatum provided that $12-billion in reparation bonds were to be immediately commercialized; and the suggestion that the settlement in Europe be left to eminent American financiers which followed this commercialization did not even attract the slightest attention of the American public' as a catastrophe happened and that catastrophe witnessed our sovereignty passing out of our hands into the unholy hands of the international banker.

"Now in the meantime, Germany had no stomach for this commercialization of bonds. It

(Continued on Page 8)

FROM THE TOWER



NATIONAL WEEKLY

Social Justice

Founded 1936 by Father Coughlin

Rev. Chas. E. Coughlin, LL.D.

EDITORIAL COUNSEL
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16 PRINCIPLES OF SOCIAL JUSTICE

Liberty of conscience and education.
Just, living, annual wage.
Nationalization of important public resources.
Private ownership of all other property.
Control of private property for public good.
Abolition of Federal Reserve Banking System and establishment of a government-owned Central Bank.
Restoration to Congress of its sole right to coin and regulate the value of money.
Cost of living maintained on an even keel.
Cost of production plus a fair profit for the farmer.
Labor's right to organize.
Recall of non-productive bonds.
Abolition of tax-exempt bonds.
Broadened base of taxation on basis of ownership and capacity to pay.
Simplification of government and lower taxes.
Conscription of wealth as well as men in event of war.
Sanctity of human rights preferred to sanctity of property with government's chief concern for the poor.

A Clash is Inevitable

MOST of us forget the Peace Treaty of Versailles and the subsequent Treaty of Locarno. SOCIAL JUSTICE today (see page 7) reprints a radio talk that Father Coughlin delivered eight years ago, which shows that the United States, even at that time, was a participant in perpetuating the injustices sanctioned by the Peace Treaty of Versailles.

Back of it all stand the same international bankers, today as of yesterday. Behind the turmoil which has beset the world for the last three weeks was the long, lean, bony finger of the international money changer, who cares nothing if he throws the entire world into war as long as he can save his precious bonds, his precious gold and his precious conqest under the cloak of "saving democracy."

Some day the American people will be awakened. Some day, they will realize that *without gold* Germany prospered materially and *with gold* America groveled in the swamp of unemployment, where want reigned in the midst of plenty. Only last week this country's stock of gold hit an all time high!

Sooner or later the countries dominated by the international money changers will meet in mortal combat with those nations which have restored the sovereignty of money, of credit and of banking to their people.

That day is inevitable!

Will America be on the side of the money changers—the wolves who have cloaked themselves in the sheep's clothing of "democracy," or will America within the next three or four years drive the money changers from the temple of this land as Christ drove them from the temple in Jerusalem?

Be not deceived by the propaganda of radio and press both of which have confused the issue that is still a burning question today and will be a more burning question tomorrow.

This contest is between the international bankers on one side and the free-born people on the other. The former have extended their control over communications as well as over money and use their press and their radio to "air-condition" the millions of innocent men and women in whose hearts the seeds of hatred were planted under the cloak of patriotism.

Bear in mind that neither England nor France paid back the money this nation loaned them for the conduct of the last war. Bear in mind that the United States of America not only cancelled $14-billion which they loaned to the Allies but that the Allies welshed on $11-billion *which, they borrowed from us after the war!* America not only paid the bill for the last World War; since 1919, America has made prepayment *for the conduct of the next war!*

Thank God, the England and France of October, 1938, have changed in their official aspects from the England and France of two years ago. Mr. Neville Chamberlain, one of the greatest men the British Empire has produced, has projected the philosophy that men are more important than bonds; that peace is more prosperous than war.

In the days to come may we always remember September 29th, the feast of St. Michael! That day marks the passing of international bankers as international diplomats. That day marks the re-birth of the reign of wisdom. Mussolini, Chamberlain, Daladier have met with Hitler. Reason has prevailed over propaganda. Understanding, forbearance and mutual aid have been initiated.

Russia alone wanted another world war. Russia, under Stalin the dictator, was not invited into the brotherhood of nations.

The leftists' "peace" propaganda, utilized to stir up hatred not only against Hitler but the German people, has failed in America as it has elsewhere.

This last sentence is written in no defense of the German leader but in defense of Justice, trampled to earth under the Peace of Versailles which truthful history now regards as a monument which stood for the birth of Communism, Nazism and hatred.

From the Tower

(Continued from Page 7)

has been her argument that the preliminary agreement of the Armistice which brought hostilities to a close in 1918 had solidly incorporated in it, in terms guaranteed I repeat by international law, that there were to be no punitive damages. Bear in mind, ladies and gentlemen, that Germany did not surrender in November of 1918. On the contrary, as we all know, from our great feast day of November, she entered into an "Armistice" fully protected by the legality of international law. And one phase of that international law stated that no punitive damages be exacted of her.

"Thus, it is her argument that the Treaty of Versailles paid no heed to this preliminary and legal agreement. And what has been the result? From 1919 until 1924 no co-operation came from Germany in the matter of the sale of these blood bonds *because punitive measures had been adopted at Versailles contrary to international law.* But in 1925, on board a small vessel named the 'Orange Blossom,' floating serenely on the waters of Lake Locarno, Stresseman, the minister of foreign affairs for Germany, and Briand, for France, made 'peace,' as they called it, between their countries. Germany's unwillingness to pay the $33-billion then became dissipated in the minds of all possible investors both in America and abroad because of the importance which our newspapers in many instances attached to this empty travesty enacted between Stresseman and Briand, and later on by the League of Nations opening her arms to her erstwhile enemy, Germany.

"Shortly afterwards in a little rustic tavern at Thoiry, in the Vosges Mountains, Mr. Stresseman for Germany and Mr. Briand for France once more met. They agreed this time that bonds should be sold outside Europe and that Germany should, for its co-operation, receive one-third of the money thus obtained.

"LADIES and gentlemen, these are historic facts that you cannot deny. I wish at this juncture to bring to your mind this point, that a bond is no more valuable than the word either of the man or of the nation who issues it. A bond is not gold. It is merely a promise backed up by future expectancies and by honesty of intention.

"But to continue with the story: In 1927, Mr. Poincare of France openly advocated that the secret agreement made at the Thoiry Tavern be made known. It was then this was followed, in 1928, by the powers of the world meeting at Geneva in Switzerland for the final and complete settlement of the reparation question. And behold! The result of the Geneva Conference was the appointment of a committee of more financial experts to handle the situation of peddling bonds throughout the world. Here, then, is the birth of the Young Reparations Committee! The mountains of the Geneva Conference groaned and, as history has proven, they brought forth a mouse!

"Meanwhile, preparations had been made in America for the purchase of these blood bonds. The borrowing rate of money became surprisingly low in our Federal Reserve Banks. Credit was given to every Tom, Dick and Harry until playing the stock market became as popular as playing Bridge. Millions upon millions of dollars worth of stocks were bought on margin. Hundreds of millions of dollars of German bonds were sold at a price better than $90 each to hundreds of banks. But suddenly Mr. Stresseman of Germany, passed out of the picture of German politics. The agreement which he made at Locarno with Briand became discredited in France.

"Simultaneously with the collapse of Mr. Stresseman's policy of selling bonds, which in their hearts most of the Germans never had any intention of honoring, came the depression in the United States. Why? Because the price of these bonds fell from $91 to $68. The cat was out of the bag and left behind it the bones of the Geneva conference mouse. The banks which invested in these bonds feverishly called their loans made to speculative individuals to protect their bond purchases. The market crashed! Those who had bought on margin were ruined! Depression was with us but the banks for the most part were saved.

"Whether or not we are in accord with the Treaty of Versailles, we are forced to admit that its manipulation by international bankers has failed to produce either peace in Europe or prosperity in America. As a matter of fact, one of the basic principles of international law, I repeat, had been treated as a scrap of paper at this 'Peace' Treaty, which ran true to its form from beginning to end by keeping the principles as well as the Name of Jesus Christ outside the Hall of Mirrors.

"Now, perhaps, ladies and gentlemen, you begin to understand why enormous sums of money have been exported from this country abroad, especially to the national banks of allied governments whose policies have been identified with the Treaty of Versailles. Perhaps you begin to see why the growing opinion in Germany that these bonds would never be honored, because of the exorbitant reparation demanded, had something to do with the crash of the stock market, which had been artificially inflated to secure the money which was poured abroad. Perhaps, above all else, these facts offer you some explanation why there is so much anxiety in certain quarters for us to join the World Court of the League of Nations with France and England against Germany and Italy with the hope to save some of the billions invested by our international financiers in the blood bonds born of an unjust Treaty."

These things are cited, my friends, not with any animosity, but rather to insist upon the salient Christian fact that God is still the Lord of Nations; as the Songs of David express it, that *'unless the Lord guardeth the State, in vain have they labor whose office it is to sustain it.'* Both in our national and international relations the spirit of Jesus Christ must be placed in the chief chair of every convention. And neither we nor any other nation may wax fat upon the distress of a vanquished enemy. Because, if in 1914 Germany regarded the sanctity of Belgian territory no better than a 'scrap of paper,' that was no argument why in 1919 the great powers should look upon the International Law of Armistice as a second 'scrap of paper.' Christ's Gospel of charity, of justice, must predominate. Hatred and injustice and revenge can have no part in any negotiation. *'Revenge is Mine, sayeth the Lord.'*

Father Coughlin

The Week in the Nation

ADMINISTRATION

Intervention—Danger of New Deal Policy

As Europe moved toward the brink last week and threatened to repeat the catastrophe of 1914-18, events at home leaned toward that greatest danger to America—intervention.

President Roosevelt, conferring with the Cabinet and Secretary of State Cordell Hull, addressed a historic message to Adolf Hitler in which he placed responsibility for peace—and blame for possible war—in the hands of the German Chancellor.

In this bold stroke the President, perhaps innocently, took sides in the Czechoslovak quarrel. His message, entirely humanitarian in its appeal for peace, nonetheless singled out Hitler as the "aggressor." It implied, therefore, that this nation stood on the side of what Ambassador Bullit called "truth and justice."

In the calm of fairness and logic, the President's message appears commendatory. From the standpoint of diplomacy, however, whose fabric is woven of the fine threads of suggestion, implication and delicate reprimand, the message was a dangerous piece of business.

Of course America wants peace. That is the watchword on every lip. But there is a gathering belief that the policy followed by the President and his Cabinet may do more for war than for peace, despite all protestations against conflict.

In the Chicago bridge dedication the President delivered a diatribe against "aggressor nations," meaning Italy and Germany. Inside the White House is a gathering movement in favor of intervention, a movement led by the Cohen-Corcoran group. The President's first message — to Hitler, Chamberlain, Benes, Daladier and others—arose out of a Cabinet conference and was definitely an interventionalist step. If doubt persists about this, it must be remembered that it was so interpreted in Europe.

Furthermore, in his dedication of another bridge in Canada a few weeks ago, the President definitely committed this nation to a defensive alliance with Canada — giving Great Britain and France a formula by which to draw us into the next war.

Throughout the nation last week, statesmen spoke their sincere belief that America's neutrality must be preserved inviolate in the event of general European war. Our lesson was learned in 1918, and the strength of the Allies' friendship for us was plumbed in the war debt farce that followed the Versailles treaty, and has continued since.

Neutrality can be kept only through the strictest policy of non-intervention. And non-intervention means no unsolicited advice, economic aid, financial aid or moral aid.

As has been pointed out, the justice or injustice practiced by the dictators of Europe—Stalin, Hitler and Mussolini—is not of concern here. Our policy is strictly defensive: Prevent these alien isms from penetrating American democracy. Thus neutrality is America's only recourse in a war sought by Communist Russia as a showndown for its own dictatorship against that of "Fascism."

MANAGEMENT AND LABOR sat down around a conference table in Washington in an effort to find a solution to the railroad problem. As 1,000,000 workers voted to strike against a 15 per cent wage cut, Federal fact-finders increased their efforts to work out an acceptable solution to the crisis. Shown here are (left to right) D. B. Robertson, President, Firemen and Engineers' Brotherhood; Carl R. Gray, Vice-president of Union Pacific; George M. Harrison, President, Railway Clerks' Brotherhood; (standing) M. W. Clement, Pennsylvania R.R. President; B. M. Jewell, President A.F.L. Employes Dept., and Ernest E. Norris, President, Southern R.R.

Dies Group Begins Fascist Probe

As the Dies Committee investigating subversive and unAmerican activities resumed its hearings in a war-charged Washington atmosphere, it turned its examination from Communism to Fascism and Nazism, and the spread these alien political philosophies have made in this country.

John C. Metcalfe, former newspaper reporter, and special Dies investigator, told the Committee of his days as a member of a Nazi Bund which he joined to "get a story" for the *Chicago Times*.

Metcalfe's testimony pointed to the fact that Americans dread: Agitation for Communist action in the United States has furnished a spawning ground for Communism's militant foe, and the foe of traditional American liberty—Fascism.

The investigator testified that the Bund organizations are formed of "American Germans," who fear Communist revolution in the United States. Their purpose, he said, is to build up a Nazi political force to fight for "the right kind of government" when the day of revolution arrives. The "kind of government," of course is the Nazism of Hitler.

Certain "Fascist-minded" industrialists in this country are assisting the work of the German Bund, Metcalfe testified. Although he named no names, he suggested that a proper investigation would reveal the identities of such persons and the depth of their associations with Bund organizations.

Metcalfe hinted at a direct relationship between the German consular service and the organization of the German-American Bund. He told of the dissemination of Nazi philosophy in universities of this country; through exchange scholarships to German universities, and through the "selling" of Nazi philosophy to American professors, invited to study in Germany at that nation's expense.

"American students are being indoctrinated with the aims of Fascism in Germany both abroad and at home to the detriment of democratic institutions in America," he said. The reason for this, he added, was the "exchange scholarship" system.

Metcalfe listed the following universities where he said the gospel of Fascism was being spread: University of Missouri; University of Kansas; Clark University, Worcester, Mass.; Iowa State College; Vermont University; Indiana University, and the University of California.

Nazi and Fascist testimony given before the committee emphasized again that America's strength must be thrown into combat against both Communism and Fascism. While both must be battled on the same front in the name of Americanism, still the order of combat must be, first Communism, then Fascism, *for the latter always has arisen only out of the former!*

COURT

Who Gets Vacancy?

As the Supreme Court filed into its magnificent new marble building to begin the 1938-39 sessions, two questions were uppermost in the minds of Washingtonians:

1. Who will get the vacancy occasioned in the death of Justice Benjamin Cardozo?

2. Will the President renew his attempts to pack the court with appointees favorable to his "liberalism?"

Answer to the first question was purely speculative. Answer to the second, while equally speculative, was stoutly affirmative in at least two sources.

The Republican National Committee, pointing out that Mr. Roosevelt was the first President in history to demand that the court be packed with hand-picked appointees, charged in its paper the *Republican Reporter* that the President would begin again his assault on the high bench.

At the same time Representative U. S. Guyer, a member of the House Judiciary Committee, accused the President of continuing in his quest to "embarrass" the high court. "What the New Deal, with its Tommy Corcoran and Benny Cohen, cannot do directly, it will do indirectly," he said. He called attention to a bill introduced by Senator Logan of Kentucky, friend and associate of "Dear Alben" Barkley, providing for establishment of a United States court of appeals to handle cases emanating from New Deal commissions, agencies and administrative authorities.

"The bill, if enacted, would make the executive, through his appointing power, the absolute master of industry and labor," Guyer charged.

As to the upcoming Supreme Court appointment it was reported authoritatively that the President is considering three left wing extremists, of the type of Kluxer Hugo Black, for the vacancy.

Frankfurter is an unlikely choice, it is reported, because he opposed the original court-packing bill.

LABOR

Rail Workers Vote For General Strike

On December 1, 1938, approximately 1,000,000 American railroad workers will leave their jobs in a general strike, protesting against a 15 per cent wage cut—unless—a Federal fact-finding board is able to uncover a solution to the difficulty in the next month.

Under terms of the Railway Labor Act the strike, voted for Oct. 1, does not take effect until 30 days after a 30-day period of fact-finding and conciliation. This gives a two-month spread between the calling of the strike and its execution.

This week, Federal authorities and representatives of rail management and labor worked at an accelerated tempo to find a key to the knotty problem. Labor does not want a strike. Neither will it accept a wage cut. Management wants no strike. But it insists a wage cut is necessary.

As negotiations began, the opposed sides found themselves in agreement on only one question: That the railroads truly were in a critical situation.

Both sides were hopeful that the government's investigation would uncover information tending toward a solution. The commission is expected to conclude its public hearings within three or four weeks. Then, before expiration of the 30-day limit, a report must be made to President Roosevelt. During the 60 days the *status quo* must be maintained.

The railroads at once have been one of the nation's greatest industries, and one of the nation's greatest headaches. Born in the early days of reckless financial dealings, the roads never have been able to shake the influence of their founders, despite governmental regulation and control. Bankers, promoters, managers, and gamblers have swarmed over the rail network, saddled it, harnessed it, maltreated it and then tossed it carelessly to that infamous financial wet-nurse — the holding company.

Out of the mess thus created and sired, efficient managers and responsible leaders of labor have tried to build a stable structure. The present crisis indicates their efforts have not been entirely successful. And labor, justly, *is unwilling to be taxed with financial losses resulting from selfish and avaricious management.* The unions maintain that the roads are top-heavy with a weighty capital structure, and that the roads today are operated more by railroad bankers than by the managers. The only "out" they see is either stricter regulation of management practices, or a tour "through the wringer" for some of the roads most-mired in bankruptcy.

Management contends that wages are a chief part of the roads' costs, and that a pay slash would settle the difficulty in most part. The unions contend that wages never have been a burden to the industry, and that since 1920 more than one million men have been dropped from railroad employment.

By Mark

"Traitors" they called who dared to speak t was unpopular. Yet gave testimony to the Today the wrecking work—discoloring tru American public opi of the "democracies" died to make the wo lible America again h sea of propaganda flooding our newspa out the music on our

IT WAS an historical day—April 6, 1917. Even the storm clouds assumed historic proportions that Good Friday morning when Congress told a waiting nation that an American legion would be necessary to "make the world safe for democracy." All night long—while shrieking shells deafened the ears of loyal Englishmen, while exploding gunpowder dismembered the bodies of loyal Germans, and sirens and air raids struck terror to the hearts of loyal Frenchmen—the walls of the imposing Senate building ached with the heavy charge of words—lashing, fateful, scurrilous words, that would not only determine the fate of America, but remake the history, geography and politics of the most important continent in the eastern hemisphere. The United States Congress was preparing a death warrant for 126,000 loyal Americans and consigning 235,000 more to a lifetime of suffering — deliberately robbing more than four million homes, to supply European guns with American cannon fodder.

In the wilderness of the confused din, the voice of truth cried out—unheeded. Patriots like Senator Borah, Senator Norris and Senator Reed, rose to plead with their colleagues to recognize the war for what it was—that it had nothing to do with American honor, that it was not to make the world safe for democracy, but only to make certain that American loans to the Allies by private lenders, our own money changers, would be collectable after the war.

They told a distracted Senate chamber that if America went to war in Europe it would be to prevent the Allies from losing, and thus repudiating their debts—in other words, to assure the American corporations which had prospered for three years by supplying the Allied powers with war materials, that they would get their payments.

They entreated the Senate not to send the flower of American manhood into war for a few billion dollars—not to sacrifice our youth on the scaffold of a commercial war. The clocks tolled midnight. The Senate voted. War was declared.

IN West Virginia, a respected citizen dared to challenge the necessity of our entering the war, and an irate public opinion suggested that he be stood up against a white wall with his family, and shot until his blood had discolored it.

"Traitors" they were called—these men who dared to speak the truth when truth was unpopular. "Pro-German" they were branded when being pro-German was a greater crime than fascism in Russia.

Only after the destruction—after millions of hearts and homes and bodies had been broken—after sixteen nations lay wounded and bleeding from the ravages of war, and the patriots of a dozen flags returned to altered worlds to pick up the broken threads of unravelled lives, did the world admit that the money grabbers had managed and won the war.

Then and only then—like the centurion on Calvary who waited until the last tremblings of the earth had ceased—did President Wilson slowly shake his head and admit to a sick and weary world: *Indeed, "this was a commercial war!"*

Ten years ago, Father Coughlin warned of the evils and the danger of Communism to an audience, many of whom retorted that "there just was no such animal." Today those who scoffed have returned to pray.

When, in 1936, SOCIAL JUSTICE predicted that there would be no election in 1940, an America feeding, clothing and housing its poor on borrowed billions, laughed at the absurdity of such far-flung logic. Now there are grave statesmen in this country who have already come to accept that logic as inevitable.

In this day of propaganda, truth is again on the scaffold. The forces of propaganda are so much stronger than the opportunities for truth, that a publication attempting to tell the truth is like Sisyphus — the ancient Corinthian who forever rolled uphill a huge stone, only to have it roll down again. It is a task as futile as attempting to sweep back high tide from the seashore.

RECENTLY, European propaganda in America has been at high tide. The combined forces of pen and press have worked overtime to make the American reader war-minded. Not a radio program was completed without at least one interruption—to give you the latest bulletin on the European crisis. And Mr. America sat, perched uncomfortably on the edge of the piano bench, imbibing every syllable of the propaganda that was spilled into his attentive ear by the H. V. Kaltenborns and Lowell Thomases, who wondered in clipped and hostile accents, just how long that "mad dog nation of Germans" could be held in check—how long it would be until that Hitler — who was of course, completely to blame for everything—would swoop down like Attila upon a panic stricken Europe, with another barbaric invasion."

Mr. America moistened his lips and bit harder on the stem of his pipe, meanwhile reaching for his copy of the daily gazette. France and England had just agreed to a compromise whereby the Sudeten Germans and their territory would be annexed to Germany — as both Germany and the Sudetens desired — without the added complication of a war in central Europe. Peace-loving statesmen throughout the world rejoiced at the announcement. Not so the American press. America's top-notch propagandists—the Walter Lippmans and Dorothy Thompsons, the Jay Franklins and Pearsons and Allens—undertook, after "careful and deliberate analysis," to interpret the situation for America. Their interpretive potpourri amounted to this:

"France and England are betrayers of the *front populaire*, rats, snakes, cowards, and closer to the ground than a Congressman's ear on the night before the primary. Instead of getting in there like men and fighting a war for Czechoslovakia against Germany, they settled for peace—the cowards! By their actions they have probably paved the way for war, and war—war is a terrible thing."

Of course, it made very little sense, but it was almost an exact reproduction of the version exhaled by Soviet Commissar Litvinov in Geneva, and repeated to the world via Anthony Eden, Winston Churchill, Leon Blum, Hore Belisha, Earl Browder, and the Communist parties of France, England and the United States.

About two weeks ago, several leading newspapers devoted an entire page to what they called the "opinion of the man on the street." Like a group of children taking an oral examination at the end of a class, the interviewed with only an occasional exception, merely parrotted, like so many thoughtless magpies, the things that very newspaper had previously told them.

"That Hitler is a dangerous aggressor," chirped the metropolitan mind. "And sooner or later he must be stopped. But I hope that whatever happens, we will stay out of war."

If, *in a period of four short weeks*, before a single gun was fired in Central Europe — and two years before America would again be called to send her youth to battle for some ephemeral cause or slogan—the American mind was already so biased by propaganda that it could even then place the blame for the next world war—how, in the name of truth and justice, could Americans expect to escape a war for which the forces of propaganda would have two years to prepare them?

"But propaganda?" you ask. "Surely you cannot call facts propaganda."

There, unfortunately, is where the great American press can and does deceive you and me, and even the employes on your daily gazette. Facts are published of course, but only those facts which it is desirable for you to know.

THE presentation of selected news facts subtly colored, or discolored, at their source can be and is a more dangerous form of propaganda than the most subversive pamphlet distributed by some publicity agency with the admitted purpose of promoting a cause. Often, an incomplete story is more unjust than a false one, just as a half-truth can be more deceiving than a lie.

For example, a ten year old child breaking into a neighborhood store, with the deliberate intention of appropriating to himself another's goods, is guilty of crime, and becomes a case for the juvenile authorities. However, that same child, ill-clothed and starving, who is using the only means known to him to secure a little bit of life's necessities for a whining little brother and a mother who is ill, becomes not a criminal but a brave youngster, fighting in self-defense for his very existence, and not at all worthy of world condemnation.

The nation's press has the power to determine whether or not Americans shall praise or blame. Its ability to give and withhold circumstances, even when printing the facts, gives it the power to completely regulate and direct your opinion and mine. And it is a matter of record that the international forces which are promoting Communism, *have publicly boasted their control of 80 per cent of the American press.* Whether America realizes it or not, every newspaper in this country, large or small, which depends upon the international news services, or the international cable lines for its facts concerning the European situation is directly controlled, at least in what it shall print about Europe, by these internationalists. Likewise, every editorial writer and news commentator who gets his "facts" from these sources—and all of them do—is similarly controlled. The fields of propaganda are so thick that the scythe of truth cannot mow them down.

WHAT then are the facts? Is there no war scare in Europe? Is Mr. Hitler not a villain after all? What is causing all the trouble in Europe?

First of all, war in Europe is not immediate. Until the recent treaty of Munich it seemed inevitable—not because the loyal citizens of the several nations wanted to fight, but because the controllers of wealth, and consequently of the peoples of the world, had determined that no peaceful solution should be made.

Europe was in exactly the predicament of a little boy with a wrongly buttoned coat. He may unbutton and re-button one, two or even three but-

Meecham

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tons but he cannot be really comfortable again until he has unbuttoned the whole thing and re-buttoned it aright. The European coat which needed unbuttoning was the Treaty of Versailles. Until the injustices of that document were rectified there could be no lasting peace in Europe. And the Treaty of Munich unbuttoned the coat.

Mr. Hitler is no more a villain than any other German who would attempt to lead Germany in revolt against the injustices which internationalists had determined that she endure. Just as our own American colonists would have revolted against the injustices of British domain at another date, had they not declared their independence in Washington's time, so too would Germany have revolted against the injustices of Versailles sooner or later, even if Adolf Hitler had never lived.

The Czechoslovakian "crisis," the German situation, the Polish threat, the Roumanian upset, the war in Europe—were all directly traceable to the peace conference after the world war. In other words, a war was born in the "peace" conference at Paris, of the same infamous treaty which gave birth to the mongrel nation of Czechoslovakia.

What does the average American know about that treaty? What, for that matter, does the well-read American know about it? How often, during the course of its negotiations did Americans try to find out from their daily newspapers what was going on in Europe—only to become so confused with reports from Paris and Quai d'Orsay—so lost in international contradictions, that they were compelled to abandon the task!

The news reports of the proceedings so confused the American public that even Congress, which is supposed to understand and know about such things, needed two years to figure it out. Why has a controlled press so discreetly kept the simple story of Versailles from the American public for almost twenty years?

On the evening of Saturday, December 27, 1930, as Father Coughlin was engaged in the weekly task of preparing his Sunday broadcast, he was called to the telephone. The Columbia Broadcasting System was calling to inform him *that he must not deliver the speech he was preparing.* Shocked that the talk which he had not as yet completed on paper should already be in the New York radio office, Father Coughlin asked the natural question: "How did you know what I was going to talk about?" Whereupon his caller *gave him its factual contents and repeated that it must not be broadcast.*

The title of the forbidden address was "Prosperity;" its subject matter —the Treaty of Versailles. Private wires had been tapped, the hands in control had learned of the priest's long distance communications, and the order was given; the show-down must not go on. Two million letters came to the Shrine of the Little Flower that week—requests for the speech that "must" not be delivered.

"In the year 1921," the American public could not be told, "we discovered the birth of a novel philosophy of international settlements. Our unelected ambassadors of finance departed from America to Europe. On arrival they began with the mistake of accepting as a working principle the honesty and the validity of the Treaty of Versailles.

"Instead of inquiring whether political re-adjustments were first to be made; instead of asking were the findings of that Treaty based upon justice; were they contrary to the psychology of human nature; were they freely entered into by both parties of the contract; was hatred the motivating force in the mind of one party; was dire necessity the actuating element in the heart of the other, what do we find them doing? We find them clinging to the principle that all adjustments could be made by the yard stick of dollars and cents.

"Since the year 1919 we, the American people, have been led to believe that the Peace Treaty of Versailles actually made peace, whereas it has done little more than to perpetuate hostility. We were led to believe that victory had been achieved only to find that unrest had been born. We have been fed upon the propaganda that when Secretary Hughes in 1921 accepted the German indemnity of $33-billion as a reality and approved of the London ultimatum which imposed it upon Germany that peace and prosperity were the reward for the victors, when as an actuality a new war cloud of revolution fomented by hatred and injustice was being formed upon the sky line of the world."

On November 11, 1918 the white flags were hoisted as German representatives marched through the Allies' lines and signed an Armistice—a temporary truce pending treaty negotiations. The world cheered. Men wept and women fainted. Picadilly threw its hat into the air, Times Square went wild, and the doughboys went back to Paris and "got drunk." We did not know much about the details of the situation. All we knew—all anyone knew—was that the war was over, the horrible days and sleepless nights were over, that the shooting, the killing, the maiming was over—and Johnny would come marching home.

But while the world was rejoicing and welcoming back its loved ones, the "peacemakers" were laying the plans for the next world war! When the armistice was signed in 1918, there was no surrender of the Central powers. Nobody surrendered anything. Negotiations were supposed to begin. But what happened?

After the armistice, the powers went to Paris. But there were no negotiations whatever between the Allies and the Central Powers. It was there—after the slaughter—that the real business of the war began. The delegates from Germany and Austria-Hungary who had supposed (from the understanding at armistice) that they would attend the conferences negotiating the peace terms, were made virtual prisoners in their own headquarters in Versailles and St. Germain. Under police supervision, they were denied even the social contact of former friends.

In the meantime — from January until May, the "allies" fought the real world war all by themselves. Day by day the Paris conferees met at the Quai d'Orsay to realign the boundaries in Europe. Although the armistice agreement promised no punitive measures against the Central Powers, they actually suffered greater defeat in the peace conferences at Paris than they did at Chateau Thierry and the Argonne. The entire conference was in the hands of the "big three"—M. Clemenceau, Lloyd George and President Wilson. Lloyd George would make a proposal, Wilson would second it. Clemenceau, gavel in hand, would settle it: *"Y a-t-il objection? Non? . . . Adopte."* (Are there any objections? No? . . . Adopted.) Like a machine gun. As the other powers gasped in astonishment, Europe was remade.

Finally, on May 8, in a heavy tapestried room at the Quai d'Orsay, the Allies settled the fate of the Central Powers.

"They begin with Transylvania," writes Harold Nicholson, a member of the English legation. "And, after some insults flung like tennis balls between Tardieu and Lansing, Hungary loses her South. Then Czechoslovakia, and while the flies drone in and out of the open windows, Hungary loses her North and East. Then the frontier with Austria, which is maintained intact. Then the Jugo-Slav frontier, where the Committee's report is adopted without change. Then tea and macaroons."

In addition to which, the Allies took over the German colonies and sacked a $33-billion debt upon the already breaking back of the German people!

"When the treaty was finally put together," admits James Shotwell (who had been personally selected by Colonel House in 1917 to serve on the American legation of the conference which sooner or later would be called at the close of the War) "it was evident to any fair-minded person that it was more than any country should be asked to bear. The fault lay not so much in this or that single section of the Treaty, for in most cases these sections contained provisions that were not without justification. What was wrong with the peace treaty, was that, when all the sacrifices were added together, the whole was greater than the sum of the parts. It was impossible to accept, because impossible to fulfill on the part of the citizens of the conquered nations and still maintain a decent standard of living. Since Germany had to take the treaty as a whole, *it therefore had every right to regard the cumulation of injury as vitiating all parts.*

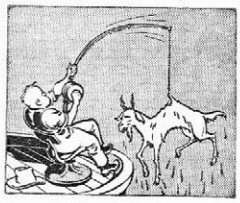
"For the sake of all concerned, the new frontiers should have been drawn with at least equal consideration for the rights of the ex-enemy states. *The peace conference made the inevitable mistake of yielding too much to the insistence of those able to present their case in Paris."*

On June 28, the conferees journeyed to Versailles, to the famous Galerie des Glaces (Hall of Mirrors), where the war would be finally won —if any war is ever won. After the minor delegates had taken their places, a hush fell. Through the huge doors at the end of the hall marched the four officers. France . . . Great Britain . . . America . . . Italy. Then, pale and solitary, staring at the ceiling, walked official Germany. Like Norma Shearer approaching the guillotine, the two delegates were led to the little table where they saw for the first time, the Treaty of Versailles. They had no choice but to sign. They knew that the six month food blockade against Germany had rendered their people helpless; and the allies who threatened to occupy Berlin if they did not sign, had already stationed their armies beyond the bridgeheads of the Rhine, ready to march at the first signal . . . Germany signed.

No people as a whole, will go to war to preserve injustices inflicted upon another nation—*if they know about it.* Consequently, in order to have international support in continuously exacting the back-breaking toll from the enemy, it was necessary that the injustices of Versailles be suppressed.

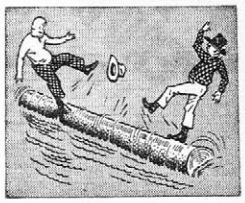
Whenever Germany breaks away from some part of this *punitive treaty*

See PROPAGANDA, Page 19



THE SPORT OF THE NATION

- POLITICAL FOOTBALL
- LOG ROLLING
- GOAT FISHING
- HOG CALLING
- BUBBLE-BLOWING
- HIDE AND SEEK
- SHIRT-STUFFING
- DUMMY WRESTLING



PRESENT 5,000-YEAR MESSAGE!

Bridges Come, And Bridges Go In Maryland

Primary Gives, and Primary Takes Away

WASHINGTON, D. C.—The West Coast is not the only geographic region having trouble with "Bridges." There's a merry battle raging over a couple of bridges in the "Free State" of Maryland.

These bridges are of the disappearing type—now you see them, now you don't. Originally, the bridges were to have been constructed to turn in the middle — in whatever direction the political wind may have been blowing. But, when most recently discussed, they were to have been constructed on the "lifting" principle — to lift the "Free State" of Maryland into the Roosevelt "liberal" column in the recent Maryland primary.

In 1934 construction of the bridges across Maryland rivers first was discussed as part of that year's P.W.A. program. Sufficient political pressure having been absent, the projects were dropped because of "lack of interest."

But in his purge campaign in Maryland's "Free State," Mr. Roosevelt suddenly remembered those bridges amid his efforts to oust Millard Tydings from the Senate and ensconce Davey Lewis in his chair.

He mentioned them to the "free staters" as he thanked fortune that Maryland still was "a free state." That week the wires burned with orders. Secretary Ickes, P.W.A. administrator, wired the New York regional director, who supervises Maryland P.W.A. projects, suggesting that he put the bridges on the "must" list. The regional director wired back. Orders . . . confirm . . . suggest . . . necessary . . . quickly as possible . . .

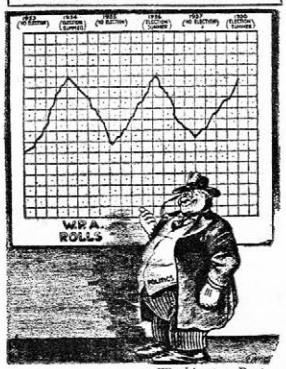
Action! The P.W.A. cleared the track, ran the bridges off the spur onto the main line, tooted the whistle and highballed as the administration sang: "There's a pair of bridges in the heart of Maryland."

But, lo! Maryland rebelled, sent Davey Lewis back to the coal mines, and returned Tydings to his Senate seat, primarily because they resented outside interference in their elections by the President. The bridges disappeared.

Last week the President explained to his press conference that the bridge projects had been put aside, because "the bankers" refused to aid the state in providing its share of the project funds.

But, lo again! The bankers gave a quick and decisive denial to this excuse. They said they were ready to shoot the works and furnish the state with the funds necessary to guarantee its share of the cost.

'THERE'S GOLD IN THEM THAR HILLS'



—*Washington Post.*

OF MUSE & MEN

A TRUTHFUL POLITICIAN!

THERE are those who have said there is nothing so rare or extinct as an honest politician. Let them now step forward to be handed a tasty dish of their own words, for eating purposes.

If truthful statements and utter truth of motive are earmarks of honesty, then Irvin H. (Just call me "Pop" Hanes, of Denver, Colo.,) is that rare bird, the honest politician.

Pop sought the Democratic nomination for the job of Colorado State Auditor. He said he sought it for one reason only: The $4,000 yearly salary was more money than he had ever earned before.

Furthermore, he let it be understood in his campaign handouts, that he was not: (1). "A pillar of the church." (2). "The outstanding candidate."

LEFTIST LINES

BARNEY BARUCH, adept at playing both sides in any financial game, recently laid out $10,000 of the folding money to bring back 83 wounded members of the "Abraham Lincoln" brigade who enlisted in the Spanish Civil War on the side of the Loyalist Communists.

Said bland Barney: *"They were willing to fight for something they believed in, and I had the money to bring them home when they got hurt."*

There's a little more bland Barney didn't say. The members of the "Abraham Lincoln" brigade were "willing" to fight for something *Barney* believed in — war. It's remotely possible Barney felt an obligation to those who had served his purposes so well. And while on the subject, there is need to call attention to that gross insult on the memory of one of the nation's greatest Presidents.

Could you, in your wildest moment, have imagined Abraham Lincoln espousing a Marxist cause?

'Time Capsule' Tells Sad Tale Of Contradiction

People of 6939 to Heed Story of 1938

THEY buried a "time capsule" out at the New York World's Fair grounds recently.

In this capsule—a metal tube built to withstand the advance of the centuries—they enclosed statements by noted scientists, writers and philosophers of today. It will not be opened for 5,000 years—until the year 6939.

Under the spell of the centuries, we are inspired to write a "time capsule" piece of our own. Here it is. You may take it down to the town library and enclose it between the covers of "Anthony Adverse," or cache it in some other spot where no one is likely to venture for the next 50 centuries.

We begin:

TO WHOM IT MAY CONCERN
5,000 YEARS FROM NOW

Hello 6939. This is 1938 speaking. We are living in an age of contradictions. We have celebrated contradictions in the world at large, and in our own nation particularly. There are contradictions in society, politics, diplomacy. There are contradictions in thought, manners, and customs. And there are assorted contradictions in every man's home.

In the United States we have an amazing series of contradictions, the like of which the world has never seen. We have an administration that charts the road to plenty through the fields of scarcity; that sees the green pastures of prosperity through the mire of waste; that would restore what we have lost by spending what we have left.

WARY WINNETKA

WINNETKA, ILL., where Interior Secretary Harold L. Ickes has his home diggings, is not too proud of her gift to the Cabinet.

A fortnight ago the village board discussed the need of erecting grade crossings at seven dangerous points along a railroad right of way.

The project, declared to be a necessity, involved an outlay of more than $3,450,000. Some board members suggested a P.W.A. grant which should be gained easily through the good graces of Secretary Ickes as administrator of P.W.A.'s billions.

But the board as a whole rejected the deal. They hedged, then admitted they would be unwilling to ask the grant, *because their application might* imply *"approval of the Roosevelt administration,"* and Winnetka wanted none of that!

Finally the matter was settled by a decision to conduct a post card referendum among Winnetka residents on the question.

The administration, in turn, has subsidiary contradictions. It has a Wagner Act to end labor troubles by causing them; to cure the quarreling of rival union systems by encouraging strife. It has an Agricultural Administration Act that proposes to bring the farmers economic independence by taking it away from them; to feed the undernourished one-third of the nation by destroying one-third of the food crops.

TOLERANCE AND INTOLERANCE

And the administration has noted contradictions in the personalities who compose it. It has a President who says he is head of the Democratic party. As party head he interferes in state elections and then uses his prestige as President to woo votes. Then again, as President, he uses the influence of his high office to map policy within his party councils. And lastly, acting as head of the Democratic party, he uses his authority to scrap the party in its entirety and start a new one.

In our society we preach tolerance for all peoples. Then we promptly discriminate according to class, economic condition and creed. Then above all we clasp to our bosom Communists who preach tolerance.

Our society is divided into capital and labor. We know we need both, yet the members of the one class revile the other and set up obstructions to the free exercise of both in co-operation.

YOU KNOW WHAT HAPPENED!

We preach free speech, and then condone its denial. We preach free press, and then delude ourselves into accepting distortions of this right. We revel in our theory of representative government, but permit our elected representatives to forswear allegiance to us, their constituents.

Our leaders declare for isolation from foreign disorders, but practice involvement. We send diplomats abroad to preserve our neutral position in the world's quarrels, but then excuse them when they pop off and endanger our delicate fabric of peace.

This may all be most uninteresting to you people of 6939, but it was doggoned important to us back in 1938. You are living on what occurred after we passed on. We have to live now on what we ourselves have created. It's not very pleasant, we know. More than 12,000,000 of us are out of work, while we have enough resources to put twelve times that number at productive enterprises.

Yes, this is a sad day, citizens of 6939. And we know we did it all ourselves, but that doesn't ease the pain. Didn't we say it was an age of contradictions?

And what happened to us as a result of our folly?

Alas, only you know the answer to that. We don't.

The Week in the News

POLITICS

Workers Alliance Support Third Term

THIRD term talk — Washington's standard topic of conversation since inception of the purge—was dropped in favor of war discussion last week, by all save the Workers Alliance.

This organization, holding a national convention in Cleveland, went on record with a strong declaration for a third term for President Roosevelt, and pledged itself to furnish 2,000,000 votes to achieve that objective.

The third term resolution set up the alliance as "spokesman for 16-million unemployed" in this country, characterized Roosevelt as being "with the greatest figures in American history," and ripped at "reactionary forces now attempting to resist his progressive objectives."

The convention took the trouble to throw out two "disruptive Trotskyite Communists," delegates from New York, who charged that the Alliance had *"sold out the unemployed to support Roosevelt."*

The ejected "Trotskyites," Neil Harrison and Judah Altman, made other damaging charges. They asserted on the floor the New York division of the Alliance employed "undemocratic procedure," and that the body was following the lead of the Communist party.

Truth of the Altman and Harrison charges was obvious. With an acknowledged 16-million unemployed in the country, many millions of whom lost employment under the Roosevelt administration, the Alliance can be only playing politics of the leftist brand in acclaiming Roosevelt as "among the greatest."

The Alliance is the organization of W.P.A. workers whose Communistic president, David Lasser, has been active on the oratorical platforms of the nation. The Alliance recently pledged itself to raise $50,000 from among W.P.A. workers to further New Deal political aims.

Hopkins Scoffs

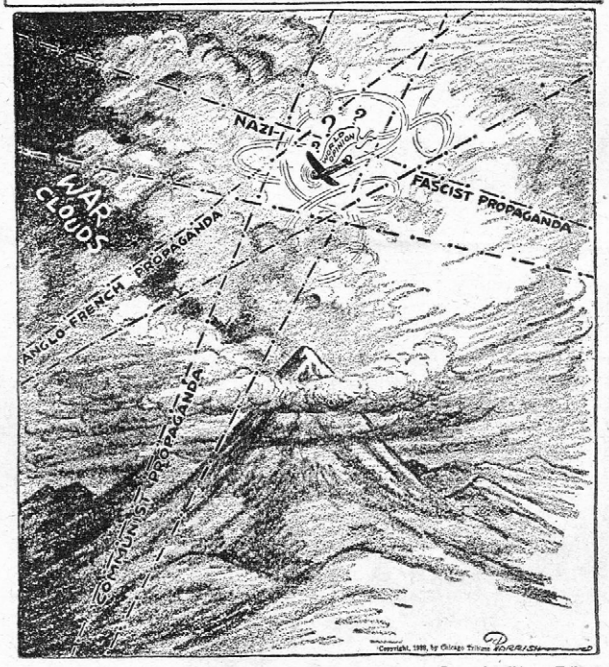
While the Workers Alliance was embroiled over the best methods of perpetuating unemployment, Harry Hopkins, administrator of its parent, W.P.A., was busy denying charges of political W.P.A. activity in Kentucky.

The activity had to do with circumstances surrounding the nomination of Senator Barkley in Kentucky's primary over Governor Happy Chandler. Kentucky politicians on the scene described the renomination of Barkley as "The biggest W.P.A. project ever undertaken in these parts."

Hopkins, confronted with a systematic report of W.P.A. political activity in the state, denied all charges save one—that James B. Boddie, director of W.P.A. District No. 1, had turned over to a county chairman lists of W.P.A. workers who were registered voters. Hopkins failed to take action against Boddie, other than to "warn" him against any such activity in the future.

Hopkins' denial arose out of investigation made by his own staff into the alleged irregularities. The original complaint was based on an objective investigation made by a newspaper reporter.

CONFLICTING RADIO BEAMS



—From the Chicago Tribune

FINANCE

Searchlight on the Money Changers

WASHINGTON, D. C. — Gold — the sinew of war—continues to pour into the United States. At this writing, a new record high of $13-billion, $421-million is in the hands of the Secretary of the Treasury and the Federal Reserve Banks.

In a press interview, Secretary of the Treasury Morgenthau stated: "I would classify this (inflow of gold) as a very pleasant movement. The movement (of gold) *proves that the United States is the financial center of the world and can resist the kind of nervousness that people with money fear.* If foreigners want to send their money here for refuge, we are glad to take care of them, and we stand ready to buy it for $35 an ounce. I am in daily contact with the best financial brains of the country."

More than $285-million in gold poured into the Treasury at $35 an ounce, paid for by the American taxpayers, during the last two weeks, ostensibly for "safe-keeping," but the informed know it is being sent here to finance purchases both for war preparation and peaceful, social reconstruction in Europe, Asia, and Africa.

Every ounce of this gold is being paid for in labor by workmen throughout the length and breadth of America, despite the fact that 12 millions are unemployed and 20 millions are on relief. It must be paid for in one of two ways: Either in goods to be exchanged at once, or in the form of credit balances which are security for goods to be purchased at a later date.

We hand over good American dollars for a vertible mountain of cold yellow metal, which has no exchange value in this country among the citizens, but is only buried in Fort Knox, Kentucky.

The Johnson Act, which prohibits defaulting war debtors from borrowing in America, is evaded by this gold racket. The gold is brought to America, paid for by the American citizens through taxation, both direct and indirect, and the foreign balances already accumulated here can be exchanged—overnight in case of war and gradually in times of peace—for raw materials, food, and even actual munitions, despite the neutrality act.

And Mr. Morgenthau calls this sell-out of America's prosperity "a very pleasant movement!"

But suppose, Mr. Morgenthau, those European powers demonetize gold! "Demonetize" means that it isn't money any more. Won't we be holding the bag again just the same as we have with the European war debts? We will be left with this huge worthless pile of yellow metal. Again the American people will trod the treadmill of debt, and again they will be sold down the river to economic slavery due to the "best financial brains in the country."

Impossible? The war debts were repudiated, were they not? England went off the gold standard in 1931, did she not? In fact, no nation today uses gold as general currency and they can demonetize it as easily as the international bankers confiscated the gold of the American citizen.

Any intelligent person with a background of history knows that for America to be the "financial center of the world" bodes no good. Portugal, Spain, Venice, Great Britain and Germany, all have received the same stigma. The American people do not want to be the financial center of the world at the price of 12 millions jobless and 20 millions on relief, and one-third of the nation—if it is not two-thirds by now—ill-clad, ill-housed and under-fed.

Propaganda

(Continued from Page 11)

—which according to international law, she is justified in doing—the nation's press angers an unthinking public into pouring it on the "violators of peace." The propagandizing press never has bothered to give you the circumstances. As far as you are told, the child is a thief, and that's all there is to it.

As for Czechoslovakia and Eduard Benes, the small, yellow, silly little imperial" constantly in everybody's way at the Paris conference, lying and lobbying for his own little slice of domain—the Czechoslovakian government violated the very treaty which created it, when it refused to allow the promised, self-determining plebiscite to the Sudetens. If the press were really consistent with justice, it would have recalled the words of President Wilson, "If any covenants of this settlement are not observed, the United States will send her armies and her navies to see that they are observed," (May 31, 1919 before the 8th plenary (secret) session, Quai d'Orsay), *when the Czechs violated their treaty last May*, and would blush to think of calling the state which houses the Communistic center of the world, a "poor, abused, deserted little nation." But fortunately or otherwise, our kept press has none of the virtues of a blushing maiden.

THE Treaty of Munich, signed last week by the four greatest nations in Europe, accomplished around a conference table, what the war makers—the merchandisers of murder, the Anthony Edens, Winston Churchills, Maxim Litvinovs and Leon Blums, the Communist parties, and the League for "Peace and Democracy" had expected to take onto the battlefield. Munich was the inevitable outcome of Versailles, which omitted the profit for the money changers, since it avoided a war. It was a blow to the propagandists, the Kaltenborns and Thompsons, who were *sure* that the war would go on as scheduled, and all but cried when it did not.

The propaganda in this country, the minute to minute accounts, the whole promotion of war-mindedness, was staged to prepare us for a military and armament expansion in the next Congress, just as the Panay bombing publicity paved the way for the $2-billion naval expansion bill in the last Congress.

The Treaty of Munich was an attempt at peace in Europe. Its success hinges upon the power of peace-loving peoples to combat the internationalists who need another war soon to renew their finances. And they will try to get the world back to the evils of Versailles, just as surely as a criminal will return to the scene of his crime.

Let Mr. America read his daily papers and listen to his favorite radio propagandist. Let him note which papers and writers and statesmen and commentators and "political parties" are asking for a war instead of the peaceful settlement at Munich. Let him ISOLATE them.

He will then have the real warmongers, the real propagandists, the real traitors to human life in every nation. And just as soon as he hears them doing more international name calling, let him beware. Propaganda is at work.

The Week in the World

AMERICA

Exploiters of Patriotism March Again

SOME time ago high officials of the United States Government, without benefit of Congress or the people, decided to begin a wide educational campaign to change the American public's attitude regarding war.

They were assured of the fullest co-operation of the press, the radio, the pulpit, Wall Street, and every channel of publicity.

Today the campaign is in full swing. All other news is played down. The home problems of 12 million unemployed, of 20 million on relief, the dire threat of a transportation paralysis with a million rail workers going out on strike, are lost in the hysteria of the war-mongers as they artfully and skillfully play up each successive crisis.

Senator William E. Borah, dean of the Senate's Foreign Relations Committee, recently denounced proposals emanating from French and English quarters seeking to involve the United States in Europe's threatened war. Since then, no less a personage than the President of the United States has lent his name and the prestige of his office to an interfering attempt to settle the old hates of Europe.

Furthermore, Dr. Isaiah Bowman, now president of John Hopkins University, but who in 1919 was chief territorial specialist in the American delegation which Woodrow Wilson took to Paris, said only recently, when asked his views on the ruin of his handiwork:

"The underlying situation, in the case of Czechoslovakia, is the bitterness between groups of unlike nationality and language, who have oppressed each other in the past, and whose traditions are so largely based on war, conquest, and rivalry over hundreds of years

"The blame for the present crisis rests with the Allied Powers. The allied nations held out hope of two vitally important developments that in 1919 we had every reason to believe would be accomplished. Those two developments were disarmament, and, if necessary, the revision of post-war treaties. Refusal to disarm and to revise the treaties under changed conditions were two prime factors in European unrest. Today we are faced with the unhappy outcome."

Senator Borah declared: "The people of this country may now look forward to a deluge of propaganda seeking to involve the United States in these controversies, and all in the name of peace. They call it peace to get us in. But after we get in, it is war!

"Whatever the nations of Europe may see fit to do in their effort to secure peace is a matter upon which the European nations alone must pass judgment. The people of the United States are not interested in European boundaries or with the plans of European nations in regard to European matters.

"But when it is suggested, as has been suggested by ex-Premier Leon Blum, that the nations of Europe turn over the question of establishing peace to the United States, it is a matter of interest to the people of this country, and of very great interest. What such suggestion really means is that the United States involve itself in European controversies and furnish the money and the men which may be necessary in case of war.

"It would have been more in harmony with that national honor, so often exemplified in French history, had Mr. Blum given his attention to the fact that France has a solemn treaty with Czechoslovakia to come to her rescue and, instead of advising the United States as to her duty, had advised his own people to courageously stand by their treaty.

"France was most instrumental of all nations in creating the little democracy of Czechoslovakia. She later gave her a solemn promise to come to her rescue in case of trouble. That would seem to be the matter to which the ex-premier should give his attention in this critical hour of Czechoslovakia's life."

Bombproof?

CANADA

Press Sees U. S. Preparing for War

THE *Montreal Daily Star* caustically rebukes the American press for its "comic" and "ferociously belligerent comments" on the Franco-British policy toward Czechoslovakia.

The Star editorially defended the Franco-British agreement to permit dismemberment of Czechoslovakia in order to preserve peace, declaring that Prime Minister Neville Chamberlain had "retired before war—not before Hitler.

"From Boston to San Francisco, the newspapers are apparently all for war. They see 'poor little Czechoslovakia betrayed and sold down the river.' They exhort and excoriate the two 'democracies' of Western Europe, Great Britain and France, for not going valiantly to the rescue of their menaced sister democracy in Mid-Europe . . . They stand back, 3,000 miles from Europe, safe and serene, with a persistently proclaimed resolution never again to be drawn into any European war."

RUSSIA

Soviet Alone Will Profit From Wreck

ONLY Soviet Russia desires war, warns the secretary of the American delegation to the International Eucharistic Congress, in the "Universe Bulletin" of (Cleveland, Ohio). "If Russia is not successful in precipitating the Czechoslovakian crisis into a European war, they will be within two years," this writer observes. "Russia is the only country who will profit by it. She is like a giant bear, looming over Europe, waiting until the other nations have been weakened by a war among themselves.

"While Russia is in a position to fight, she wants to stay clear of the war she is fanning into flame; she must conserve her strength in order to be in the best possible position to avenge the mutilated remains of the conflict-rent-states, once the war-spirit has burned out.

"For it is not necessarily territory that Russia wants, but safety that the Communists want. Russia can perpetuate her Communism only if the rest of the world is Communistic. While Russia is probably internally safe for some years to come, it is certain that some day fickle youth will demand another revolution — and youth will be served."

CZECHOSLOVAKIA

Prague Long Center For Communism

THE growth of Communism in Czechoslovakia has long been watched with anxiety by many countries in Europe, and with alarm by the German countries which almost surround it, according to *The Rock* (Hong Kong) one of the leading Jesuit magazines in the world.

"With M. Benes sending congratulations to Negrin in Spain and Kalinin in Russia, the Soviet-Czecho pact was seen to be something more than a mere formal agreement, and while rumors circulated about a Russian grip on the Skoda munition works and Soviet plans *for using Prague as an air base in the event of war against Germany*, every additional facility for the spread of Communism created further uneasiness.

"Prague was the Communist propaganda center for Austria, Hungary, Czechoslovakia, Poland, South Germany, Rumania, Bulgaria and Yugoslavia. This center was under the direct control of the Secretariat of the Comintern in Moscow, and was closely linked with the East-European center in Paris.

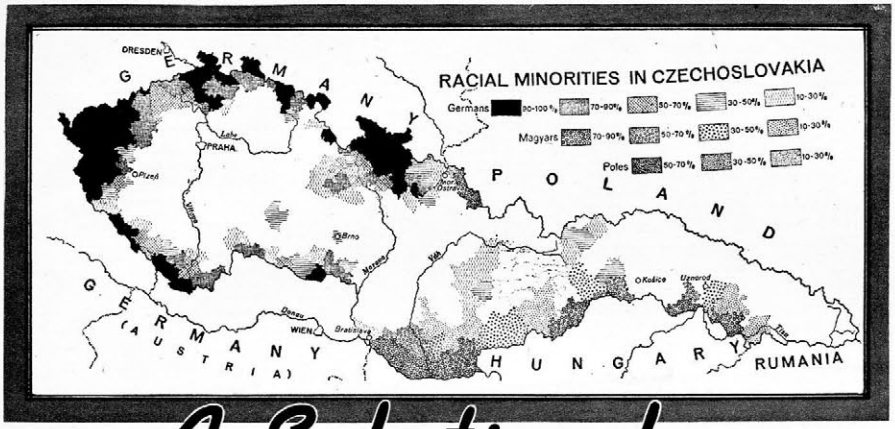
"The Comintern appointed as director of the Prague center, the Communist Deputy, Clemens Gottwald, member of the Political Secretariat of the Comintern in Moscow.

"The leaders of all the Communist parties (sections of the Comintern) for the above-named countries resided at Prague and took orders from Gottwald. Amongst others, the following organizations were known to be active in Prague:

"The Comintern Center for Central Europe, and its press and information bureau; the Central Committee of the Czechoslovakian Communist Party; the Direction of the Czechoslovakian Red Worker's Union; the Czechoslovakian Section of the Friends of the U.S.S.R. of the Red Relief (M.O.P.R.), and of the International Committee Against War and Fascism, now known as the League for Peace and Democracy; the Central Committee of the German Communist Party and its auxiliary organizations; the Comintern section of espionage against Germany, the school of Communist propaganda for Germany; Austria, Rumania, Bulgaria and Yugoslavia.

"The Communist Party of Poland also found refuge in Czechoslovakia. The Secretariat was at Prague and the newspaper. "Nowy Przeglad" was printed there for years and imported secretly into Poland. Important reunions took place regularly. The leaders from Poland went over the frontier with the utmost facility thanks to the help of the Czechoslovakian Communists. Places of refuge were provided by prominent Communists, members of the Czechoslovakian Parliament, such as Kopetzky, Kliment, Sliwka, Siroky, Clementis, Kosik . . . From these places agents were sent back to Poland with detailed instructions as to carrying on the Communist subversive activities.

"The growth of this Communist activity had undoubtedly a considerable influence on the Sudeten German agitation."



A Solution for CENTRAL EUROPE

By Dr. J. S. Barnes

Short of Another World War to Destroy Germany, Czechoslovakia Will Have to Accommodate Herself to the Status of a Small State Within a German-Hungarian Economic System. The Extremists' Ambition to Be an Independent Power Relying Upon Russia and France for Aid is Doomed.

KARLSBAD SUDETEN CZECHOSLOVAKIA

GERMAN CRACK TROOPS

CZECH INFANTRYMAN

THE Mission of Lord Runciman appears to have been successful. He has done valuable work in getting the Czech and Sudeten Germans closer to each other. Meanwhile Chamberlain has put pressure on the Czech government – as well as on France to do the same—with a view to inducing the Czechs to go to the very limit in the way of concessions to the minorities; while Mussolini has been doing his best to persuade Germany to exercise the maximum of moderation. Hitler himself, wiser than many of his fellow entourage, has also exercised his authority against extreme counsels. The result is an accommodation, which, though it may only be temporary, bridged the dangerous weeks of the late summer when the harvests have been gathered in and talk of war is invariably loudest.

No final solution, however, has yet been reached, and probably the problem will take many years to solve, if it is to be solved without war. This is because the present situation represents an unstable equilibrium; and there are really only two alternative solutions which may be regarded as stable. One is the complete destruction of Czecho-Slovak political sovereignty. This is the solution desired by the extreme Nazis. The other is a close political and economic understanding between Germany, Hungary and Czechoslovakia, coupled with a really generous deal for the German and Hungarian minorities within Czechoslovakia. This solution is not agreeable to the extreme Czech nationalists, who will not understand that owing to the geographical situation of their country and to its dependence for its very existence on the inclusion within its borders of millions of Germans and Hungarians, they cannot hope for a better solution except by another world war resulting again in the utter defeat of Germany.

The first of these solutions is not desirable, because the Germans cannot be trusted to treat the Czechs generously in the event of their incorporating the Czech provinces of Bohemia and Moravia with the Reich. Nor is the destruction of Germany by another world war either practical or desirable. Germany is too big to be destroyed. She would again revive and the whole problem would crop up again. The second solution is, therefore, the right one. It is the one which would bring the greatest measure of prosperity and contentment to all the peoples concerned.

Fear of the power of Germany and of a world war will constitute guarantees that the Czechs, in exchange for the advantage of maintaining their political sovereignty, would persist in the policy of treating their minorities generously. At the same time this solution would give Germany the substance of her demands as regards the economic and cultural rights of the Sudeten Germans, as well as both strategical security and great economic and cultural opportunities for expansion in Middle Europe.

This last is a vital interest of Germany's and ought to be conceded if Germany is to be made a contented and peaceful member of the European comity of nations. The Czechs on the other hand are a small people; and their duty is to resign themselves to the role of a small people instead of attempting, by alliance with Great Powers, like France and Russia, and a strongly nationalistic economic policy, to play the part of a balancing weight in the big game of power politics.

IN order to properly appreciate the merits of this solution as a really stable one, it is necessary to have a clear conception of the geographical and ethnographical factors of the situation.

Czechoslovakia is a geographical absurdity, as well as an ethnographical absurdity.

In the first place this State is divided into two quite distinct geographical and ethnographical groups —the one, composed of the old Austrian provinces of Bohemia and Moravia where the Czechs are in a majority; the second, composed of the mountainous area of what used to be Hungary, where the Slovaks are in a majority.

The Czechs and Slovaks are both Slav peoples; but they differ in language, customs, history and traditions as widely as do Portugal and Spain.

The two areas are also separated from each other by a high mountain range (the Western Carpathians). Geographically and economically the Slovak area is part of Hungary. All the principal market towns of the Slovaks are inhabited by a majority of Hungarians, who live in the plains at the foot of hills in which the Slovaks reside. There are no easy means of communication between one Slovak valley and the next, or between the whole Slovak area and the Czech area except along the base of the hills, through which the Danube flows and where the population is wholly Hungarian. It was for this reason that no fewer than 750,000 Hungarians were included in the Czecho-Slovak State, when it was created at the Paris Peace Conference. Otherwise the Slovak area would have remained for all intents

and purposes completely severed from the Czech area, and it would have soon been starved out of independent existence. It would have been impossible to combine the two areas into one State.

In other words, the Czecho-Slovak State depends for its very existence on the inclusion of these 750,000 Hungarians within its borders. Therefore the Hungarians have primarily been sacrificed for the sake of Czechoslovakia, and in such circumstances it is the bounden duty of the Czecho-Slovaks to give their Hungarian minorities full political, economic and cultural rights. So far they have been reluctant to do so. Only now that Germany has grown strong again have the Czechs, who are the dominant race, thought fit to pay attention to their obvious duty, which is a duty not merely of justice to a minority but a duty owed to the essential condition of their very existence as the chief partners in an independent sovereign State. Fear of Germany has accordingly had salutary consequences. This is a point which should not be forgotten.

TURNING to the Czech area (Bohemia and Moravia), here we indeed have a well defined geographical region almost entirely surrounded by a natural watershed, which is only pierced at one important point, namely in the east, where the River Elbe flows out of the center of the Czech area through a defile into Germany and eventually down into the Baltic Sea.

The area, however, is surrounded on three of its sides by Germany. It runs as a wedge into Germany. It separates Silesia from Austria, the quickest route between these German provinces running through the Czech capital, Prague. Moreover, three and a half million Germans, numbering about forty per cent of the inhabitants, inhabit Bohemia and Moravia. They have lived here for thousands of years and have as great a right to be considered nationals of this territory as the Czech majority itself. So far they have not been accorded the political, economic and cultural rights to which they are entitled. Strategically this Czech State also constitutes, insofar as it is allied to France and Russia, and because it controls one of the most powerful armament industries in the world, a menace to Germany. It is like a thorn in the side of Germany; and it may be taken for granted that, aside from the question of the German minority, Germany can never feel secure until the Czechs are prepared to adopt a policy of neutrality and to fall in with the German economic system.

Nor is it practical to separate the areas inhabited by Germans from the area inhabited by the Czechs, with a view to allowing the former to be annexed by Germany. In the first place, a large percentage of the Germans live in scattered groups throughout Bohemia and Moravia. In the second place, supposing the more compact German areas along the border were cut out of the Czech State, the Czech State would be mutilated. Economically it could not continue for long an independent existence without its German population; and it is for this reason that the extreme Nazis declare themselves in favor of a scheme of dismemberment. They know that it would lead inevitably to the annexation of the whole of Bohemia and Moravia. It is impossible to disrupt a well-defined geographical area. *It must either be swallowed whole or left as a separate political entity.*

The best scheme therefore clearly seems to be the one I have indicated: the one favored by both England and Italy, by the moderate elements in Germany and the moderate elements in Czechoslovakia. Only the extreme Nazis and the extreme nationalist Czechs are opposed to it – and the latter would be a great deal less intransigeant if they did not believe they had the backing of France behind them.

I have neglected, for the purpose of this exposition, a number of minor problems. There are for example also about 300,000 Poles resident in Bohemia-Moravia, and most of them live on the Polish side of the watershed. It would probably be wise if, on this account, these Poles were permitted to secede and join Poland. Their secession would not mutilate the geographical compactness of Bohemia-Moravia, as the secession of the Germans would.

Likewise, I have neglected the question of the Ruthenes–a small community of yet another race living on the Hungarian side of the Carpathians, who speak Russian and enjoy already a measure of local autonomy. Their position is strictly analogous to that of the Slovaks and so it need not detain us.

TO SUM UP: The Czechs have been driven at last by pressure to treat their German and Hungarian minorities decently. But, before a really stable solution is reached, they need to be driven still further; that is to say, to denounce their political alliances with France and Russia, and to accommodate themselves within a German-Hungarian economic system. Only thus can the Czecho-Slovak-Ruthene amalgam hope to maintain their political freedom without another world war resulting in the destruction of Germany, which, as I have said, is neither practical nor desirable.

If the solution can be brought about on the other hand–a solution which is dependent partly on German moderation and partly on Czech moderation – then Central Europe should be able to settle down to a long period of peace, while at the same time the best possible conditions, considering the general mix-up of races, will be secured to the inhabitants of Central Europe. For it does not matter very much where the political boundaries run, provided three conditions are fulfilled such as this solution would bring about: first, the securing of political, cultural and economic rights for the German and Hungarian minorities within the Czecho-Slovak State; secondly, a close economic union between Germany, Hungary and Czechoslovakia; and, thirdly, the acquiescence of Czechoslovakia to a position of neutrality like that of Switzerland.

Every effort will be made by England and Italy in coming years to promote this solution. The chief obstacle lies, as usual, in the traditional policy of France, seeking always to weaken Germany. *But if war comes it will be mainly the fault of the French.* French intransigeance is more dangerous and foolish than even the extreme ambitions of the wild men of Germany and Czechoslovakia. If the extreme Nazis are to be induced to be moderate, the French must also show themselves moderate. This is the kernel of the question of war or peace.

QUESTION NO. 27

WHAT ALONE CAN STAVE OFF REVOLUTION AND DICTATORSHIP IN AMERICA?

1. Education.
2. Christianity.
3. Pay off government bonds with Treasury credit.
4. Isolationism.
5. International economic alliances.
6. Free trade.
7. High protective tariff.
8. Just wages to all workers.
9. Imprisonment of all Communists.
10. Imprisonment of all Fascists.

NAME ONE THING A GOOD CHRISTIAN CANNOT BE?

1. A member of the A. F. of L.
2. A member of the C.I.O.
3. A Fascist.
4. An admirer of Jewry.
5. An evolutionist.
6. A member of the American League for Peace and Democracy.
7. A New Dealer.
8. A Socialist.

QUESTION NO. 28

FILL IN THIS COUPON AND MAIL WITH 10 CENTS IN COIN

Make your selection by number from suggestions under each question. Write clearly the number in the little square.

No. 27 For Question No. 27 I select Answer No. ☐ No. 28 For Question No. 28 I select Answer No. ☐

Name .....

Address .....

Town or City ..... State .....

EXTRA COUPON FOR FRIEND OR RELATIVE

FILL IN THIS COUPON AND MAIL WITH 10 CENTS IN COIN

Make your selection by number from suggestions under each question. Write clearly the number in the little square.

No. 27 For Question No. 27 I select Answer No. ☐ No. 28 For Question No. 28 I select Answer No. ☐

Name .....

Address .....

Town or City ..... State .....

RULES OF THE CONTEST—

1. Open to all readers of SOCIAL JUSTICE except employes of Father Coughlin, members of the former National Board of National Union for Social Justice, or members of their families.

2. The Contest shall consist of 50 questions and run for 16 consecutive weeks beginning on July 4, 1938. Two questions each week for 15 weeks and all 50 questions to appear on the 16th week. Each question deals with Christianity, the social justice principles of Father Coughlin, or the contents of the SOCIAL JUSTICE magazine.

3. A Grand Prize of $3,000.00 will be awarded the reader of SOCIAL JUSTICE returning the best or most appropriate answers to the 50 questions, such answers to be based on the universal doctrine of Christianity (all creeds) or the viewpoint of Father Coughlin as expressed over the radio or in the columns of SOCIAL JUSTICE. The reader or readers submitting the next nearest correct answers and otherwise complying with the rules shall be eligible for the additional prizes in the order of their correctness.

4. In order to qualify as a prize-winner the contestant is required to send in 10 cents in coin (not stamps) with each pair of answers, and to obtain two yearly subscriptions or four half-yearly subscriptions to SOCIAL JUSTICE magazine. For these the contestant shall have sent without further cost a copy of Father Coughlin's compiled 16 radio lectures of the 1938 season.

5. We cannot take into account solutions without signed names or addresses. Neither can claims to their ownership be recognized. We cannot be responsible for Coupons arriving unduly late or lost in the mails. By entering the Contest the contestant agrees to accept as final the decision of the judges as to procedure and final outcome.

6. In event of ties additional questions will be submitted. In event of final ties, after two such submissions, duplicate prizes will be awarded.

7. DO NOT decorate Coupons. Neatness will NOT count.

8. Any inquiry the reply to which could not affect outcome of Contest will be acknowledged.

9. A contestant may send in any number of sets of duly qualified answers, and each set will be judged as a unit, but no individual may win more than one prize. A contestant sending in more than one fully paid set and two yearly or four half-yearly subscriptions with each set submitted shall be entitled to have a copy of Father Coughlin's 1938 Radio lectures for each set submitted.

SO CONTESTANTS MAY KNOW—

1. Study the questions. Mark your selection of the best or most appropriate answers on the Coupons below the questions and send in EACH WEEK with 10 cents in coin (not stamps).

2. If you wish, you may pay in full, $2.50 NOW, and then send in your weekly coupons without further remittance.

3. In order to qualify as a prize-winner you must obtain two yearly subscriptions ($3.00 per year) or four half-yearly subscriptions ($1.50) to SOCIAL JUSTICE WITH EACH SET OF SOLUTIONS SUBMITTED. THESE SUBSCRIPTIONS MAY BE SENT IN AT ANY TIME DURING THE COURSE OF THE CONTEST.

4. Each question will pertain to Christianity, (not of any particular creed), to the social justice principles laid down by Father Coughlin, or to the contents of SOCIAL JUSTICE magazine. One of the list of suggested answers underneath each question will be the best or most appropriate based upon the viewpoints of Father Coughlin or this national weekly. It is your job as a contestant to try to select that particular answer.

5. In order to qualify as a prize-winner, in addition to obtaining the above-mentioned subscriptions, each contestant is required to remit $2.50 for each complete set of solutions submitted. THE NET PROCEEDS OF THE CONTEST GO INTO THE BROADCASTING FUND TO ASSURE FATHER COUGHLIN'S WEEKLY ADDRESSES NEXT SEASON!

6. If you run more than one set of answers, be sure to mark your sets "Set 1," "Set 2," "Set 3" etc. Each set stands alone in the judging. Coupons are NOT taken from one set to fill in bad "holes" in another set.

Next week—in our issue of October 17—the "CHRISTIAN FRONT" Contest will come to a close.

On that date all 50 contest questions and suggested answers will appear and the "deadline" date upon which all returns must be in will be announced.

And—then—

At the end of the shortest possible time it will require a large staff of clerks to compute solutions—THE PRIZES WILL BE AWARDED.

Some person who reads SOCIAL JUSTICE is destined to win the Grand Prize of $3,000.00. Also one of the great host of readers will romp off with the Second Prize of $1,400.00. Somebody is absolutely sure of winning the Third Prize of $1,000.00. And so it goes right down through the entire list of 159 cash awards.

The big point to remember is this: YOU CAN WIN THE GRAND PRIZE OR ANY OF THE REMAINING 158 CASH PRIZES AS EASILY AS ANY OTHER CONTESTANT.

No special education or training is needed to win a SOCIAL JUSTICE Contest.

So be ready next week. With all 50 questions before you and ample time to work out what you consider the proper solutions, you have, indeed, something to look forward to.

Entertainment. Education. Fun. And—

$3,000.00 in cash!

It CAN be you!

WON'T BE LONG NOW!

GRAND PRIZE	**$3,000.00**
Second Prize	$1,400.00
Third Prize	$1,000.00
Fourth Prize	$300.00
Fifth Prize	$200.00
4 of $25.00 ea.	$100.00
50 of $10.00 ea.	$500.00
100 of $5.00 ea.	$500.00
TOTAL	$7,000.00

SUBSCRIPTIONS MUST BE ON TIME!

Contestants, both actually entered or about to enter, must bear in mind the important rule which calls for subscriptions to SOCIAL JUSTICE in order to qualify for the prizes.

TWO YEARLY SUBSCRIPTIONS ($3.00 each) or four half-yearlies ($1.50 each) must be sent in with your solutions to the 50 questions. The total remittance required is $8.50, made up of $6.00 for subscriptions and $2.50 covering weekly coupon requirements.

Of course, you can send one yearly and two half-yearly subscriptions.

Your own subscription counts whether it is new or a renewal. If it is a renewal the new subscription will begin to run at the expiration of your current subscription. Renewals of your friends or relatives also count.

The main thing is—BE SURE YOUR SUBSCRIPTIONS ARE IN ON TIME.

Address "CONTEST EDITOR"
SOCIAL JUSTICE — ROYAL OAK, MICHIGAN

GERMANY AS I SAW IT

To the Editor:

There is a gigantic difference between the true Germany and the Germany which is depicted by the majority of newspapers and magazines. The longer I stayed in Germany the greater my astonishment grew at this terrible misrepresentation.

Our newspapers charge that Germany is clamoring for a war, and that hatred of others is the only lesson being taught. Perhaps this impression is given by the gigantic re-armament program. But what would have happened if Germany had not re-armed? Had Germany fallen into the clutches of Communism, would not the whole world have succumbed? Rearmament is not a symbol of war; but a symbol of peace and stark necessity.

Wherever I went, a sense of good fellowship, contentment and security prevailed, and *during my eleven months' stay, I never heard one word of war spoken. Everyone was firm in the opinion that no one would dare to attack Germany, and that Germany has no thought of being the aggressor. It was as simple as that.*

The implicit faith which the people have in their Fuehrer is unbelievable. Sometimes there were things which they could not understand—for instance why he has not done anything to aid the Germans in the Tyrol, who are suffering because of their persistence in fighting for the rights that had been promised them by the Italian government. They have been forced to change their names; German names were even scratched from their tombstones; in addition to the physical hardships which they have been and are enduring, their schools were taken from them, forcing them to go to Italian ones.

When I traveled in the trains, I always conversed with the others in my compartment. Gradually during our talk, they became aware of the fact that I was from another country and of course our subject would change to my opinions about Germany. Often to find out the true opinions of people, I pretended to be anti-everything German. The reactions of the people were very interesting. They were heartily disgusted with my dumbness, and at times it caused me much embarrassment to have to explain to them that I had just been acting.

Germany as I saw it, was strong, God-fearing, and beautiful.

H. Rohlke

Cleveland, Ohio

Editor's Note: This letter was written prior to the present Czechoslovakian trouble.

OPEN HOUSE FOR BROADCAST

To the Editor:

The Erie County Civic and Social Club, which is composed of Father Coughlin's friends in the 29th Congressional District of Pennsylvania, has evolved a plan for winning new friends for the cause of social justice.

We are writing to you with the hope that through the medium of Social Justice magazine every organization interested in Father Coughlin's program will adopt the plan so that through our united efforts thousands of people who have never listened in will be introduced to the broadcast.

Our plan is as follows: Each member of the Erie County Civic and Social Club has pledged that he will invite into his home on the Sunday

afternoon of Father Coughlin's first broadcast ten friends and neighbors who have never listened to him and who are not acquainted with his program. Each member will choose his own manner of entertainment. Some will play cards or serve a luncheon, etc. But during the broadcast we will all listen in and at the close we will invite each person present to contribute a silver offering. The proceeds of these parties will be sent to Father to help defray broadcasting expenses.

We estimate there will be several hundred such parties in Erie the afternoon of the first broadcast. If you think the plan could be worked out generally throughout the country we believe it should be given some publicity through the medium of Social Justice magazine.

Mrs. Leo Kirsch,
Chm. of Publicity
Erie County Civic
and Social Club

Erie, Pa.

WORTHY OF COMMENT

To the Editor:

Following is a letter which I received last week from my former employer:

"Dear Mr. Phelps:

"In view of the hard times caused by the present depression, the Board of Directors has instructed the management of this Company to adopt the most liberal policy possible towards employes who would have qualified for a paid vacation this summer if they had remained in active service.

"It has been decided to give those who were laid off before the first of the year approximately half of what they would have been given if their service had not been interrupted.

"Your check is enclosed herewith. We hope it will be helpful and that you will accept it as an evidence that we have not forgotten you.

Sincerely yours,
Thomas A. Edison, Inc.
(Signed—C. S. Williams),
Executive Vice President."

I am bringing this matter to your attention because I feel that this action on the part of the company concerned merits the honored publicity and comment that it deserves in the columns of Social Justice, and I respectfully request of you to do this.

The company's action in this instance is certainly a step in the right direction at least, on the road of employer-employe relationships and should be given ardent support and encouragement from all potent quarters.

I had worked for the company concerned for about one year and a half, received one week paid vacation last summer and was laid off last September on account of a general decline in business which hit the company severely.

Fred W. Phelps

Orange, N. J.

PREACHING WITHOUT PRACTICE

To the Editor:

Since your twenty-two years of employment, Mr. Zuccar, with a Chain Grocery organization have been so pleasant, let's look a bit further than personal gratification.

It is probable that the Chains preach honesty, loyalty and clever (?) merchandising, but they, as a whole, do not practice it!

I speak of actual contact with quite a number of experienced Chain Store managers seeking employment elsewhere because of the impossible conditions laid out by the Chain management, such as volume sales that are expected from each store.

In order to make the quota, the store manager is instructed to be honest, but cannot be so, as all too often the quota is so far beyond accomplishment that the manager, in order to hold his job and come anywhere near reaching the set sales total, resorts to many deceptions, a few of which are selling the same can of milk over and over without its leaving the store, two pounds of fresh spinach as three pounds, deliberate errors in totals of sales, fourteen and fifteen ounces to a pound for cheese, sugar and coffee, substitutions, etc.

When a Chain Store manager is successful in building trade in a certain locality, he usually is transferred to a less productive store and when he accomplishes his former record he is again transferred.

Now, as to the concentration of wealth, Mr. Zuccar, may I presume that your salary, after twenty-two years of Chain Store service, totals an amount that necessitates your paying an income tax to the Treasury Department—does your tax approach that paid on the income of John Hartford and Palmer of the A. & P., DuPonts and Sloan of the General Motors Chain, Rasmussen of the National Tea, Hutton of the Woolworth Co., Kresge of the Kresge stores, Rosenthal of Sears, Roebuck & Company? Please bear in mind that those just mentioned control a vast number of enterprises throughout the country and rarely work in any of them—but they get the "gravy" whereas my guess is that you get a living, like a horde of others, but no more, and those named do not live, in most instances, anywhere near the source of their huge income. If that is not concentrating wealth in the hands of a few absentee owners, I plead guilty to a mistaken version of concentration of wealth.

You speak of working hours from 7:30 A. M. to 6 P. M.—that is just an hour and a half per day, or 9 hours a week, that you are donating to your Chain employer, which you should be anxious to enjoy elsewhere in your own way.

Chain stores have, and some of them still enjoy, an infamous reputation for long hours. If you care to investigate, inquire about these so-called super stores.

After all, the Federal Trade Commission and the Patman-Robinson Law must be in error if the Chains are what you think them to be. But the records show differently.

E. J. Huyge

Chicago, Ill.

CONSPIRACY AGAINST TRUTH

To the Editor:

Among the most cherished provisions of our Constitution are those relating to freedom of conscience, freedom of the press and freedom of speech; but it appears that some of our politicians and quite a few of the overlords of industry have come to the conclusion that said principles should be eliminated or entirely ignored.

For instance, Father Coughlin, in a recent issue of Social Justice reports that the National, Columbia and Mutual Broadcasting Systems have refused to rent him time under any consideration. This is clearly the rankest type of discrimination and conspiracy against truth and justice that could possibly be conceived and, therefore, it should be resented to the utmost by every liberty-loving citizen of the United States, regardless of race, color or creed.

Now the question is, have we, the people, any redress in this matter? We certainly have. For instance, Mr. Percy Strauss is not only the President of WOR but also the President of the R. H. Macy Corporation; and I would suggest that all liberty-loving Americans and leaders of all religions and patriotic societies and associations exhort their followers and friends to immediately communicate to Mr. Strauss their determination not to patronize any of the Macy products or the products of any advertiser using the facilities of the WOR station, and to send communications of the same tenor to the presidents of the other two stations mentioned. Let them understand that this country has been christened the "Land of the free and the home of the brave," and that it must not and will not be re-christened the "Land of the Fool and the Home of the Slave." Eternal vigilance is the price of liberty! It is high time that we become vigilant.

D. Downing

Brooklyn, N. Y.

1,000 Hear Stachel On Building 'Daily
Krumbein Presides at Meeting of Party Functionaries on Paper's Problems— Circulation Seen Heart of Issue
Daily Worker On 2,000 More Stands in Drive
Coupon Books Get Boom Orders; Office Gives New Suggestions
TODAY MARKS BIG HOUR IN $280,000 STATE FUND DRIVE
Every Dollar Is A Weapon in Fight Against Reaction
Have Billions to Use Against the People But Contributions of Progressives Will Build a Front of Democracy
DAILY WORKER COUPON BOOKS
9 Coupons
Thousands are waiting
A coupon gets the Daily Worker
at your favorite
Bring it
Cars Needed By C. P. For State Canvass
Brodsky Appeals to Owners As Upstate Drive
TO RAISE $280,000
STATE COMMITTEE
$85,000 TO GO
Building the Daily— Then New York Drive
Stachel, Krumbein Speak at Meeting of Party Functionaries on Paper's Problems— Circulation Seen Heart of Issue
Wide World
Shall We Leave The Field To The Reds?
IWO Pledges $10,000 for 'Daily' Drive
WORKER DRIVE
Foster-Browder Issue National Committee Statement Appealing to All Progressives for Funds
DRIVE; CAMPAIGN
New York County will raise $135,000, nearly half the total. The quotas proposed for each
He cited John
Party Can
Pact Is Signed for Fund Drive
Promises
in Quota Scrap; Opponent Confident

COMMUNIST drums sound the call to action in the United States. Give us money—to poison the mind of American youth and turn it against the national heritage of its fathers. Send us more money—to frighten lawmakers into framing laws favorable to the Red cause. Contribute—so that we can pipe a stream of Communist propaganda into schools, universities and churches. Rush us funds — to disrupt labor unions, discourage workers, cripple industry. Hand us over your money—so that we can confiscate land, destroy family life, blot out God and religion, throttle liberty in America.

Lay your money on the altar of the great, materialistic God — Communism!

Aid the Broadcasting Fund of Father Coughlin — so that industrial capitalism shall not always choke out the economic lives of American workers—so that jealous, selfish labor leaders may not pervert the purposes of American labor—so that workers will receive a just, living, annual wage and not be subverted by the siren-call of Communism.

Contribute to this Fund—so that the airwaves of the nation will quiver with TRUTH about Communism — so that the schemes of the Stalins, the Litvinovs, the Browders, the Fosters, ensnare not the American people — so that, along Christian avenues, this Nation may be preserved free, independent and representatively democratic.

One Hundred Thousand Dollars is needed. Only four weeks before Father Coughlin's season is scheduled to open. The time is short. Whether you can afford $1 or $100, your help is needed now.

SOCIAL JUSTICE PUBLISHING CO., INC.
Royal Oak, Michigan.

I wish to contribute to the 1938-39 Broadcasting Fund so that Father Coughlin may continue to spread principles of social justice in America.

I hereby pledge the sum of $.....which I am enclosing herewith or which I will send in two equal monthly remittances on October 15 and November 15.

My Name Is.....

My Address Is.....

City or Town.....State.....

NATIONAL WEEKLY

Social Justice

Founded 1936 by Father Coughlin

Ewing Galloway

THE MAN OF THE WEEK

The LITTLE BUSINESS MAN

SPARKED into action by governmental measures that threaten his future, the Little Business Man has become the man of the week.

With thousands of his fellows—"minute men in business suits"—Little Business now forms a definite political bloc in this country. And he is organizing to bring sanity back to government; confidence back to business generally.

Little Business is the nation's vertebral column. He is wholly middle-class, and it is upon the middle-class that any nation is built. For the middle-class is the dividing line between selfish big business, and the oppressed lower classes.

Little Business' sympathies lie with those of the lower economic levels. It is upon them he must depend for his trade. Yet he has been bracketed with big business, and subjected to all its justified criticism; all its penalty.

In his own way, Little Business is doing much to break down this popular association with his greedy older brother. In the recent Pittsburgh conference of the National Small Business Men's Association he drafted his program for true reform in government.

He asked that the New Deal take itself out of business, acquire some respect for the Constitution, clean up social security, right the Wagner act—protecting the interests both of labor and management—and return to truly representative government by restoring to Congress the powers it has delegated to private hands.

Little Business emphasized the need for free speech, particularly as concerns the press and radio. The "minute men in business suits" have felt the tight winch of monopolistic control in these two public services. And Little Business wants monetary reform. Along with the lower classes, he has been squeezed dry by the banking monopoly.

The Little Business Men have voiced their creed: "We firmly believe that through the joint efforts of labor, business, agriculture and government the American enterprise system can be improved so that even greater good will accrue to even greater numbers."

Little Business, it is certain, feels the need for "co-operation between classes"—the social justice keynote.

MICHAEL HANCHIN
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DETROIT MICH
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